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U.S. Treasury Dept.  
1945.

ANNUAL REPORT OF THE  
SECRETARY OF THE TREASURY

ON

THE STATE OF THE  
FINANCES

FOR THE FISCAL YEAR  
ENDED JUNE 30

1945



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
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TREASURY DEPARTMENT

DOCUMENT No. 3141

*Secretary*

# CONTENTS

## STATEMENT OF THE SECRETARY OF THE TREASURY

Taxation.....	Page 1
Debt management.....	4
International financial relations.....	6

## REPORT ON OPERATIONS

Receipts in general and special accounts.....	13
Receipts from income and excess profits taxes.....	15
Receipts from all other sources.....	19
Expenditures from general and special accounts.....	24
War expenditures.....	27
War-related expenditures.....	31
Other expenditures.....	32
Deficit in general and special accounts.....	33
Receipts and expenditures in trust accounts and checking accounts of Government corporations and credit agencies.....	33
Financing the net budgetary deficit and other requirements.....	34
The public debt:	
Summary of financing operations.....	35
War loans.....	37
United States savings bonds.....	51
War savings stamps.....	61
Treasury notes: tax series and savings series.....	62
Market financing outside war loans.....	62
Other public debt transactions.....	65
Cumulative sinking fund.....	66
Composition of the public debt.....	66
Interest on the public debt.....	68
Debt limit.....	70
Sources of funds for Federal borrowing.....	72
Impact of Treasury fiscal operations on the economy in the war years.....	81
Securities issued by Government corporations and credit agencies.....	88
General Fund.....	92
Securities owned by the United States and proprietary interest in Govern- ment corporations and credit agencies:	
Securities owned.....	93
Proprietary interest in Government corporations and agencies.....	94
Monetary developments:	
International monetary cooperation.....	94
Domestic monetary events.....	96
Currency for United States armed forces.....	97
Taxation developments:	
Transition and post-war tax revision.....	100
Other revenue legislation.....	101
Customs Service in the war.....	103
Special procurement activities:	
Lend-lease.....	104
United Nations Relief and Rehabilitation Administration.....	104
Surplus property disposal.....	105
Renegotiation of war contracts.....	105
Strategic and critical materials.....	105
Foreign Funds Control activities.....	106
War contributions:	
Conditional gifts.....	107
Unconditional donations.....	108

	Page
Salary stabilization .....	108
Liquidation of war agencies .....	109
Estimates of receipts .....	110
Total and net receipts .....	110
Fiscal year 1946 .....	111
Fiscal year 1947 .....	114
Estimates of expenditures .....	117

## ADMINISTRATIVE REPORTS OF BUREAUS AND DIVISIONS

Fiscal Service of the Treasury Department .....	121
Accounts, Bureau of .....	122
Office of Commissioner of Accounts .....	122
Division of Bookkeeping and Warrants .....	129
Division of Disbursement .....	130
Division of Deposits .....	133
Section of Surety Bonds .....	139
Section of Investments .....	140
Public Debt, Bureau of the .....	166
Washington office .....	166
Chicago office .....	174
Treasurer of the United States .....	179
Budget and Improvement Committee .....	184
Comptroller of the Currency, Bureau of the .....	185
Changes in the condition of active national banks .....	185
Summary of changes in the National Banking System .....	186
Customs, Bureau of .....	187
Collections .....	187
Volume of business .....	190
Law enforcement activities .....	195
Miscellaneous .....	200
Engraving and Printing, Bureau of .....	202
Foreign Funds Control .....	205
Internal Revenue, Bureau of .....	206
General .....	206
Income Tax Unit .....	208
Miscellaneous Tax Unit .....	211
Alcohol Tax Unit .....	212
Accounts and Collections Unit .....	218
Technical Staff .....	221
Office of the Chief Counsel .....	223
Intelligence Unit .....	225
Salary Stabilization Unit .....	225
Legal Division .....	226
Mint, Bureau of the .....	228
Coinage .....	228
Medals .....	229
Gold and silver .....	230
Income and expenses .....	232
Monetary Research, Division of .....	233
Narcotics, Bureau of .....	233
Personnel, Division of .....	235
Practice, Committee on .....	235
Procurement Division .....	236
Procurement .....	237
Fiscal and administrative operations .....	242
Research and Statistics, Division of .....	243
Secret Service Division .....	244
Protective and security activities .....	244
Enforcement activities .....	245
Crime prevention program .....	248
Tax Legislative Counsel, Office of the .....	248
Tax Research, Division of .....	249
War Finance Division .....	250
Interdepartmental War Savings Bond Committee .....	252



## EXHIBITS

## PUBLIC DEBT

*Issues and redemptions of Treasury bonds, notes, and certificates*

	Page
1. Offering and allotments of Series E-1945 certificates.....	257
2. Call for redemption of Treasury bonds of 1944-54.....	258
3. Offering and allotments of Series F-1945 certificates and Series A-1946 notes (additional).....	258
4. Offering and allotments of Series G-1945 certificates.....	261
5. Offering and allotments of Treasury bonds of 1966-71 and of 1952-54, Series C-1947 notes, and Series H-1945 certificates (Sixth War Loan).....	261
6. Offering and allotments of Treasury bonds of 1966-71 (additional) and of 1952-54 (additional), and Series C-1947 notes (additional), and Series C-1946 notes.....	267
7. Offering and allotments of Series A-1946 certificates.....	273
8. Offering and allotments of Series B-1946 certificates.....	274
9. Offering and allotments of Series C-1946 certificates.....	275
10. Offering and allotments of Series D-1946 certificates.....	276
11. Call for redemption of Treasury bonds of 1945-47.....	277
12. Offering and allotments of Series D-1946 notes.....	277
13. Offering and allotments of Treasury bonds of 1967-72, of 1959-62, and of 1950, and Series E-1946 certificates (Seventh War Loan).....	279

*Treasury bills*

14. Inviting tenders for Treasury bills dated July 6, 1944.....	284
15. Acceptance of tenders for Treasury bills dated July 6, 1944.....	285
16. Summary of Treasury bill information contained in releases.....	286

*United States savings bonds*

17. Regulations governing savings bonds, Feb. 13, 1945.....	288
18. Denomination of \$200 of Series E bonds authorized.....	307
19. Amendment, Nov. 17, 1944, relative to Series F and G bonds.....	308
20. Procedure for redemption of maturing Series A bonds.....	309
21. Plan for converting, into Series E bonds, maturing Series A bonds held by servicemen overseas.....	309
22. Regulations governing redemption of savings bonds by banks and trust companies, Sept. 5, 1944.....	310
23. Regulations governing redemption of savings bonds by banks and other financial institutions, June 30, 1945.....	314
24. Regulations with respect to losses in connection with redemption of savings bonds by banks and trust companies.....	319
25. Regulations with respect to losses in connection with redemption of savings bonds by banks and other financial institutions.....	320

*Miscellaneous*

26. Public Debt Act of 1945.....	322
27. Statement relative to maturity of adjusted service bonds.....	323
28. Amendment, May 11, 1945, relative to adjusted service bonds.....	324
29. Release relative to maturing adjusted service bonds.....	325
30. Letters to commercial banks in connection with war loans.....	326
31. Addresses to conferences of war finance workers.....	328

## SECURITIES GUARANTEED BY THE UNITED STATES

32. Partial redemption of mutual mortgage insurance fund debentures....	354
33. Partial redemption of housing insurance fund debentures.....	337

## MONETARY DEVELOPMENTS

34. Announcement of extension of stabilization agreement with Mexico....	339
35. Announcement of extension of gold sale agreement with Cuba.....	339
36. Agreements for international fund and bank.....	340
37. Statement before House committee on Bretton Woods agreements....	377

	Page
38. Statement before Senate committee on Bretton Woods agreements...	380
39. Bretton Woods Agreements Act.....	382
40. Act to amend Federal Reserve Act with respect to reserve require- ments.....	386
41. Statement relative to invasion currency in Belgium.....	387
42. Statement relative to invasion currency in Luxembourg.....	388
43. Statement relative to invasion currency in the Netherlands.....	388
44. Release relative to allied military marks in German territory.....	389
45. Statement on invasion currency.....	389
46. Announcement of revocation of Hawaiian currency and securities regulations.....	394
47. Announcement of new series of Philippine currency and coins.....	394
48. Release relative to transfer to China of funds in settlement of advances to United States forces in China.....	395
49. Release relative to Mint production of medals and foreign coins.....	395
50. Statement relative to military currency used in Okinawa.....	396

#### REPORT TO CONGRESS BY SECRETARY MORGENTHAU

51. Summary report of Secretary Morgenthau to the Congress.....	397
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#### MISCELLANEOUS

52. Treasury Department orders relating to organization and procedure..	432
53. Act to authorize certain transactions by disbursing officers.....	433
54. Letter of the Postmaster General certifying extraordinary expendi- tures contributing to the deficiencies of postal revenues.....	434

#### TABLES

Explanation of bases used in tables.....	437
Description of accounts through which Treasury operations are effected..	438

#### RECEIPTS AND EXPENDITURES

##### *Summary tables on receipts and expenditures*

1. Summary of receipts and expenditures, 1932-45.....	440
2. Receipts and expenditures, 1789-1945.....	444

##### *Detailed tables on receipts and expenditures*

3. Classification of monthly receipts, 1945.....	450
4. Classification of monthly expenditures, 1945.....	456
5. Expenditures by major functions, 1932-45.....	478

##### *Other receipts and expenditures tables*

6. Receipts by major sources, 1944 and 1945.....	479
7. Detailed internal revenue collections, 1944 and 1945.....	481
8. Internal revenue collections, by sources, 1916-45.....	483
9. Internal revenue collections, by States, 1945.....	488
10. Customs collections and refunds, 1944 and 1945.....	489
11. Receipts and expenditures of social security program, 1936-45.....	490
12. Panama Canal receipts and expenditures, 1903-45.....	496
13. Postal receipts and expenditures, 1789-1945.....	497
14. Selected receipts and expenditures, 1789-1945.....	500
15. Expenses of Internal Revenue Service, 1945.....	501

#### WAR ACTIVITIES PROGRAM

16. Appropriations and net contract authorizations, June 30, 1945.....	505
17. Appropriations, contract authorizations, and expenditures, 1941-45.....	506
18. Expenditures by departments and agencies, 1941-45.....	508
19. Commitments, credits, and charges of the R. F. C., 1941-45.....	510

## PUBLIC DEBT

*Public debt outstanding*

	Page
20. Description of public debt issues outstanding June 30, 1945.....	511
21. Principal of public debt outstanding June 30, 1853-1945.....	531
22. Public debt outstanding June 30, 1933-45.....	533
23. Composition of public debt, 1916-45.....	535

*Public debt operations*

24. Public debt receipts and expenditures, monthly, 1945.....	536
25. Changes in public debt by issues, 1945.....	542
26. Issues, maturities, redemptions of interest-bearing securities, 1945.....	556
27. Public debt increases and balances in General Fund, 1916-45.....	564
28. Statutory debt retirements, 1918-45.....	565
29. Transactions on account of cumulative sinking fund, 1945.....	566
30. Cumulative sinking fund, 1921-45.....	566

*War loan statistics*

31. Dates of 7 war loans.....	567
32. Goals and sales in 7 war loans.....	567
33. Sales of securities in 7 war loans, by investors and issues.....	568
34. Quotas and sales of securities in Sixth War Loan, by States.....	570
35. Sales of securities in Sixth War Loan, by States and investors.....	572
36. Quotas and sales of securities in Seventh War Loan, by States.....	574
37. Sales of securities in Seventh War Loan, by States and investors.....	576
38. Sales of Series E savings bonds in 7 war loans, by denominations.....	578

*United States savings bonds*

39. Analysis of sales and redemptions of savings bonds, by series, 1935-45..	579
40. Sales and redemptions of savings bonds, by series, 1935-45.....	580
41. Sales of Series E, F, and G bonds, by denominations, 1941-45.....	584
42. Sales of Series E, F, and G bonds, by States.....	586

*United States war savings stamps*

43. Sales and redemptions of savings stamps, 1941-45.....	590
44. Sales of savings stamps, by denominations, 1941-45.....	591

*Treasury notes—tax series and savings series*

45. Analysis of sales and redemptions of tax and savings series notes, by series, 1942-45.....	592
46. Sales and redemptions of tax and savings series notes, by series, 1942-45.....	593
47. Sales of savings notes of Series C, by denominations, 1943-45.....	595
48. Sales of savings notes of Series C, by type of purchasers, 1943-45.....	596

*Interest on the public debt*

49. Interest on public debt, payable, paid, and unpaid, 1945.....	597
50. Interest paid on public debt, by issues, 1943-45.....	597
51. Interest-bearing debt outstanding, computed annual interest charge, and computed rate of interest, 1916-45.....	599
52. Interest paid on securities issued or guaranteed, classified by tax status, 1913-45.....	600

*Miscellaneous*

53. Contingent liabilities of Government, June 30, 1945.....	602
54. Contingent liabilities of Government, June 30, 1936-45.....	605
55. Guaranteed obligations matured or called, and redeemed, 1945.....	607
56. Average yield on long-term Treasury bonds, 1930-45.....	608
57. Prices and yields of securities, June 30, 1944 and 1945.....	609

## CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

	Page
58. Assets and liabilities of Treasury, June 30, 1944 and 1945.....	612
59. Balance in General Fund of Treasury, monthly, 1945.....	614
60. Assets and liabilities of exchange stabilization fund, June 30, 1944 and 1945.....	614
61. Securities owned by Government, June 30, 1945.....	616
62. Securities owned by Government—changes 1945.....	619
63. Principal of funded and unfunded indebtedness of foreign govern- ments to United States, Nov. 15, 1945.....	621
64. Principal of funded and unfunded indebtedness of foreign govern- ments to United States, Nov. 15, 1928-45.....	622

TRUST AND SPECIAL FUNDS FOR WHICH INVESTMENTS ARE MADE BY THE  
TREASURY DEPARTMENT

65. Adjusted service certificate fund.....	623
66. Ainsworth Library fund, Walter Reed General Hospital.....	624
67. Alaska Railroad retirement and disability fund.....	624
68. Canal Zone retirement and disability fund.....	625
69. Civil service retirement and disability fund.....	626
70. District of Columbia teachers' retirement fund.....	627
71. District of Columbia water fund.....	629
72. Assets held by the Treasury Department under Workmen's Compen- sation Act, within the District of Columbia.....	629
73. Federal old-age and survivors insurance trust fund.....	630
74. Railroad retirement account.....	631
75. Unemployment trust fund.....	632
76. Foreign service retirement and disability fund.....	634
77. Library of Congress trust fund.....	635
78. Longshoremen's and harbor workers' compensation fund.....	638
79. National Archives gift fund.....	638
80. National Cancer Institute gift fund.....	639
81. National Institute of Health gift fund.....	640
82. National park trust fund.....	641
83. National service life insurance fund.....	642
84. Pershing Hall Memorial fund.....	643
85. United States Government life insurance fund.....	643
86. United States Naval Academy general gift fund.....	644

## GOVERNMENT CORPORATIONS AND CERTAIN AGENCIES

87. Assets and liabilities of Government corporations and certain agencies, June 30, 1945.....	645
88. Sources and application of funds of corporations and certain agencies, 1945.....	662

## STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

89. Stock of money, money in Treasury, Federal Reserve Banks, and circulation, by kinds, June 30, 1945.....	674
90. Stock of money, money in Treasury, Federal Reserve Banks, and circulation, June 30, 1913-45.....	675
91. Stock of money, by kinds, June 30, 1913-45.....	676
92. Money in circulation, by kinds, June 30, 1913-45.....	677

## OWNERSHIP OF GOVERNMENTAL SECURITIES

93. Summary data from Treasury survey of ownership of securities issued or guaranteed by United States.....	678
94. Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, 1937-45.....	691
95. Estimated amount of interest-bearing securities issued by all govern- mental units outstanding June 30, 1945, classified by tax status and type of issuer.....	692
96. Estimated amount of interest-bearing securities issued by all govern- mental units outstanding June 30, 1913-45, classified by tax status and type of issuer.....	694

## CUSTOMS STATISTICS

	Page
97. Customs collections and payments, by districts, 1945-----	702
98. Values of dutiable and taxable imports for consumption and estimated duties and taxes collected by tariff schedules, 1944 and 1945-----	704
99. Estimated customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, 1935-45-----	704
100. Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, 1935-45-----	705
101. Value of dutiable imports for consumption and estimated duties collected, by countries, 1942-45-----	709

## MISCELLANEOUS

102. Net expenditures for Federal aid to States, individuals, etc., 1920-45--	711
103. Expenditures for direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, 1945-----	715
104. Awards of Mixed Claims Commission, United States and Germany, amount paid, and balance due, Sept. 30, 1945-----	722

## BUDGET ESTIMATES

105. Receipts and expenditures of general and special accounts, 1945-47--	724
106. Receipts and expenditures of trust accounts, 1945-47-----	749
107. Cash operations of Treasury, 1945-47-----	762
Index-----	763



**SECRETARIES, UNDER SECRETARIES, AND ASSISTANT SECRETARIES  
OF THE TREASURY DEPARTMENT FROM MARCH 4, 1933, TO NOVEM-  
BER 15, 1945<sup>1</sup> AND THE PRESIDENTS UNDER WHOM THEY SERVED**

Term of service		Official	Secretary of the Treasury	President
From—	To—			
<i>Secretary of the Treasury</i>				
Mar. 4, 1933	Dec. 31, 1933	William H. Woodin, New York.....	-----	Roosevelt.
Jan. 1, 1934	July 22, 1945	Henry Morgenthau, Jr., New York.....	-----	Roosevelt, Truman.
July 23, 1945	-----	Fred M. Vinson, Kentucky.....	-----	Truman.
<i>Under Secretaries</i>				
May 19, 1933	Nov. 16, 1933	Dean G. Acheson, Maryland.....	Woodin.....	Roosevelt.
Nov. 17, 1933	Dec. 31, 1933	Henry Morgenthau, Jr., New York.....	Woodin.....	Roosevelt.
May 2, 1934	Feb. 15, 1936	Thomas Jefferson Coolidge, Massachusetts.....	Morgenthau.....	Roosevelt.
Jan. 29, 1937	Sept. 15, 1938	Roswell Magill, New York.....	Morgenthau.....	Roosevelt.
Nov. 1, 1938	Dec. 31, 1939	John W. Hanes, North Carolina.....	Morgenthau.....	Roosevelt.
Jan. 18, 1940	-----	Daniel W. Bell, Illinois.....	Morgenthau, Vinson.....	Roosevelt, Truman.
<i>Fiscal Assistant Secretary</i>				
Mar. 16, 1945	-----	Edward F. Bartelt, Illinois.....	Morgenthau, Vinson.....	Roosevelt, Truman.
<i>Assistant Secretaries</i>				
Apr. 18, 1933	Feb. 15, 1936	Lawrence W. Robert, Jr., Georgia.....	Woodin, Morgenthau.....	Roosevelt.
June 6, 1933	Sept. 30, 1939	Stephen B. Gibbons, New York.....	Woodin, Morgenthau.....	Roosevelt.
June 12, 1933	Dec. 12, 1933	Thomas Hewes, Connecticut.....	Woodin.....	Roosevelt.
Dec. 1, 1934	Nov. 1, 1937	Josephine Roche, Colorado.....	Morgenthau.....	Roosevelt.
Feb. 19, 1936	Feb. 28, 1939	Wayne C. Taylor, Illinois.....	Morgenthau.....	Roosevelt.
July 1, 1938	Oct. 31, 1938	John W. Hanes, North Carolina.....	Morgenthau.....	Roosevelt.
June 23, 1939	-----	Herbert E. Gaston, New York.....	Morgenthau, Vinson.....	Roosevelt, Truman.
Jan. 18, 1940	Nov. 30, 1944	John L. Sullivan, New Hampshire.....	Morgenthau.....	Roosevelt.
Jan. 24, 1945	-----	Harry D. White, Maryland.....	Morgenthau, Vinson.....	Roosevelt, Truman.

<sup>1</sup> For officials since 1789 see annual report for 1932, pp. xvii to xxi, and corresponding table in annual report for 1933.



# **PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF NOVEMBER 15, 1945**

## **OFFICE OF THE SECRETARY**

Fred M. Vinson.....	Secretary of the Treasury.
Daniel W. Bell.....	Under Secretary of the Treasury.
Herbert E. Gaston.....	Assistant Secretary of the Treasury.
Harry D. White.....	Assistant Secretary of the Treasury.
Joseph J. O'Connell, Jr.....	General Counsel.
Edward F. Bartelt.....	Fiscal Assistant Secretary of the Treasury.
William T. Heffelfinger.....	Assistant to the Fiscal Assistant Secretary.
Edward D. Batchelder, Frank F. Dietrich, Walter F. Frese.	Executive Assistants to the Fiscal Assistant Secretary.
Roy Blough, Josiah E. DuBois, Jr., J. H. Randolph Feltus, Ted R. Gamble, Paul L. Kelley, Wilbur R. Lester, Ansel F. Luxford, John W. Pehle.	Assistants to the Secretary.
Paul L. Kelley.....	Administrative Assistant to the Secretary.
Paul McDonald.....	Assistant Administrative Assistant to the Secretary.
William W. Parsons.....	Technical Assistant.
Theodore F. Wilson.....	Director of Personnel.
Frank A. Birgfeld.....	Chief Clerk.
Denzil A. Right.....	Superintendent of Treasury Buildings.
Gabrielle E. Forbush.....	Chief, Correspondence Division.
Charles R. Schoeneman.....	Budget Officer.
George H. Jones.....	Chief, Budget Division.
Elmer L. Irey.....	Chief Coordinator, Treasury Enforcement Agencies.
Charles P. Shaeffer.....	Director of Public Relations.

## **OFFICE OF THE GENERAL COUNSEL**

Joseph J. O'Connell, Jr.....	General Counsel.
Lehman C. Aarons.....	Assistant General Counsel.
Joseph B. Friedman.....	Assistant General Counsel.
Thomas J. Lynch.....	Assistant General Counsel.
Charles Oliphant.....	Assistant General Counsel.
N. O. Tietjens.....	Assistant General Counsel.
David J. Speck.....	Special Assistant to the General Counsel.
George Bronz.....	Special Assistant to the General Counsel.
John F. Anderson.....	Chief Counsel, Office of the Comptroller of the Currency.
Robert Chambers.....	Chief Counsel, Bureau of Customs.
Isadore G. Alk.....	Chief Counsel, Foreign Funds Control.
John P. Wenchel.....	Chief Counsel, Bureau of Internal Revenue.
Alfred L. Tennyson.....	Chief Counsel, Bureau of Narcotics.
William G. Helfrich.....	Chief Counsel, Procurement Division.
Theodore W. Cunningham.....	Chief Counsel, Bureau of the Public Debt.

## **DIVISION OF RESEARCH AND STATISTICS**

George C. Haas.....	Director of Research and Statistics.
Wesley Lindow.....	Assistant Director.
Henry C. Murphy.....	Assistant Director.
Al F. O'Donnell.....	Assistant Director.
Russell R. Reagh.....	Assistant Director (Government Actuary).
Sidney G. Tickton.....	Assistant Director.
Anna M. Michener.....	Assistant to the Director.
William M. Weir.....	Administrative Assistant to the Director.
Isabella S. Diamond.....	Librarian.

## **DIVISION OF MONETARY RESEARCH**

V. Frank Coe.....	Director of Monetary Research.
Edward M. Bernstein.....	Assistant Director.
Harold Glasser.....	Assistant Director.
Norman T. Ness.....	Assistant Director.
William H. Taylor.....	Assistant Director.

## **DIVISION OF TAX RESEARCH**

Roy Blough.....	Director of Tax Research.
Louis Shere.....	Assistant Director.
Walter W. Heller.....	Assistant to the Director.

## OFFICE OF THE TAX LEGISLATIVE COUNSEL

Robert W. Wales.....	Tax Legislative Counsel.
Adrian W. DeWind.....	Assistant Tax Legislative Counsel.
Frederick C. Lusk.....	Assistant Tax Legislative Counsel.

## FOREIGN FUNDS CONTROL

Orvis A. Schmidt.....	Director of Foreign Funds Control.
John S. Richards.....	Chief, Licensing Division.
Rella R. Schwartz.....	Chief, Enforcement Division.

## WAR FINANCE DIVISION

Ted R. Gamble.....	National Director.
Robert W. Coyne.....	Assistant National Director.
Charles W. Adams.....	Assistant National Director.
John M. Delehanty.....	Director, Radio, Press, and Advertising Division.
James L. Houghteling.....	Director, National Organizations Division.
Mabelle B. Blake.....	Associate Field Director, Women's Activities.

## BUREAU OF ACCOUNTS (IN THE FISCAL SERVICE)

Robert W. Maxwell.....	Commissioner of Accounts.
Gilbert L. Cake.....	Associate Commissioner.
Joseph Greenberg.....	Assistant Commissioner.
Harold R. Gearhart.....	Assistant to the Commissioner.
George E. Jones.....	Chief Accountant.
Stephen P. Gerardi.....	Executive Assistant to the Commissioner.
Albert R. Loxley.....	Chief Auditor.
Austin M. Nisonger.....	Senior Member, Commissioner's Technical, Planning and Advisory Staff.
Emmett J. Brennan.....	Chief Disbursing Officer, Division of Disbursement.
Wallace E. Barker, Jr.....	Administrative Assistant to the Commissioner.
Paul F. Travelstead.....	Liquidating Officer, Central Administrative Services.

## BUREAU OF THE PUBLIC DEBT (IN THE FISCAL SERVICE)

William S. Broughton.....	Commissioner of the Public Debt.
Edwin L. Kilby.....	Associate Commissioner.
Ross A. Heffelfinger.....	Deputy Commissioner.

## OFFICE OF THE TREASURER OF THE UNITED STATES (IN THE FISCAL SERVICE)

William A. Julian.....	Treasurer of the United States
Marion G. Banister.....	Assistant Treasurer.
Michael E. Slindee.....	Assistant to the Treasurer.
Frederick L. Church.....	Administrative Assistant to the Treasurer.
Grover C. Emerson.....	Staff Assistant to the Treasurer.

## BUREAU OF ENGRAVING AND PRINTING

Alvin W. Hall.....	Director, Bureau of Engraving and Printing.
Clark R. Long.....	Associate Director.
Thomas F. Slattery.....	Assistant Director (Production).

## OFFICE OF THE COMPTROLLER OF THE CURRENCY

Preston Delano.....	Comptroller of the Currency.
Cyril B. Upham.....	Deputy Comptroller.
R. B. McCandless.....	Deputy Comptroller.
J. L. Robertson.....	Deputy Comptroller.
W. P. Folger.....	Chief National Bank Examiner.

## BUREAU OF NARCOTICS

Harry J. Anslinger.....	Commissioner of Narcotics.
Will S. Wood.....	Deputy Commissioner.
Malachi L. Harney.....	Assistant to the Commissioner.

## BUREAU OF INTERNAL REVENUE

Joseph D. Nunan, Jr.....	Commissioner of Internal Revenue.
William T. Sherwood.....	Assistant Commissioner.
Paul A. Hankins.....	Assistant Commissioner.
Norman D. Cann.....	Deputy Commissioner, Income Tax Unit.
C. B. Allen.....	Assistant Deputy Commissioner, Income Tax Unit.
Victor H. Self.....	Deputy Commissioner, Accounts and Collections Unit.
D. Spencer Bliss.....	Deputy Commissioner, Miscellaneous Tax Unit.
Stewart Berkshire.....	Deputy Commissioner, Alcohol Tax Unit.
Wilbur A. Gallahan.....	Deputy Commissioner, Salary Stabilization Unit.
Eldon P. King.....	Special Deputy Commissioner.
Aubrey R. Marrs.....	Head, Technical Staff.
William H. Woolf.....	Chief, Intelligence Unit.

BUREAU OF CUSTOMS

William R. Johnson.....	Commissioner of Customs.
Frank Dow.....	Assistant Commissioner.
Glenn H. Griffith.....	Assistant Deputy Commissioner.
William E. H. Higman.....	Assistant Deputy Commissioner.
Henry E. Sweet.....	Assistant Deputy Commissioner.
Edson J. Shamhart.....	Deputy Commissioner, Investigations and Patrol.
A. Sidney Johnson.....	Deputy Commissioner, Fiscal Administration.
Charles Stevenson.....	Supervisor of Appraisers.
John F. Williams.....	Chief, Division of Laboratories.

BUREAU OF THE MINT

Nellie Tayloe Ross.....	Director of the Mint.
Leland Howard.....	Assistant Director.

PROCUREMENT DIVISION

Clifton E. Mack.....	Director of Procurement.
A. J. Walsh.....	Associate Director.
Paul King.....	Deputy Director, Administrative Branch.
W. M. B. Freeman.....	Deputy Director, Purchase Branch.
S. A. Snyder.....	Deputy Director, Stores Distribution Branch.
H. F. Riley.....	Acting Deputy Director, Fiscal Branch.
W. MacLeod.....	Acting Deputy Director, Standards Branch.

UNITED STATES SECRET SERVICE

Frank J. Wilson.....	Chief, U. S. Secret Service.
James J. Maloney.....	Associate Chief.
Lawrence E. Albert.....	Assistant to the Chief.
Harry E. Neal.....	Executive Aide.
Walter S. Bowen.....	Chief Clerk.

STANDING DEPARTMENTAL COMMITTEES

BUDGET AND IMPROVEMENT COMMITTEE

Charles R. Schoeneman.....	Chairman.
Frank A. Birgfeld.....	Vice Chairman.
Michael E. Slindee.....	Member.
Theodore F. Wilson.....	Member.
George H. Jones.....	Secretary.

COMMITTEE ON PRACTICE

Guy C. Hanna.....	Chairman.
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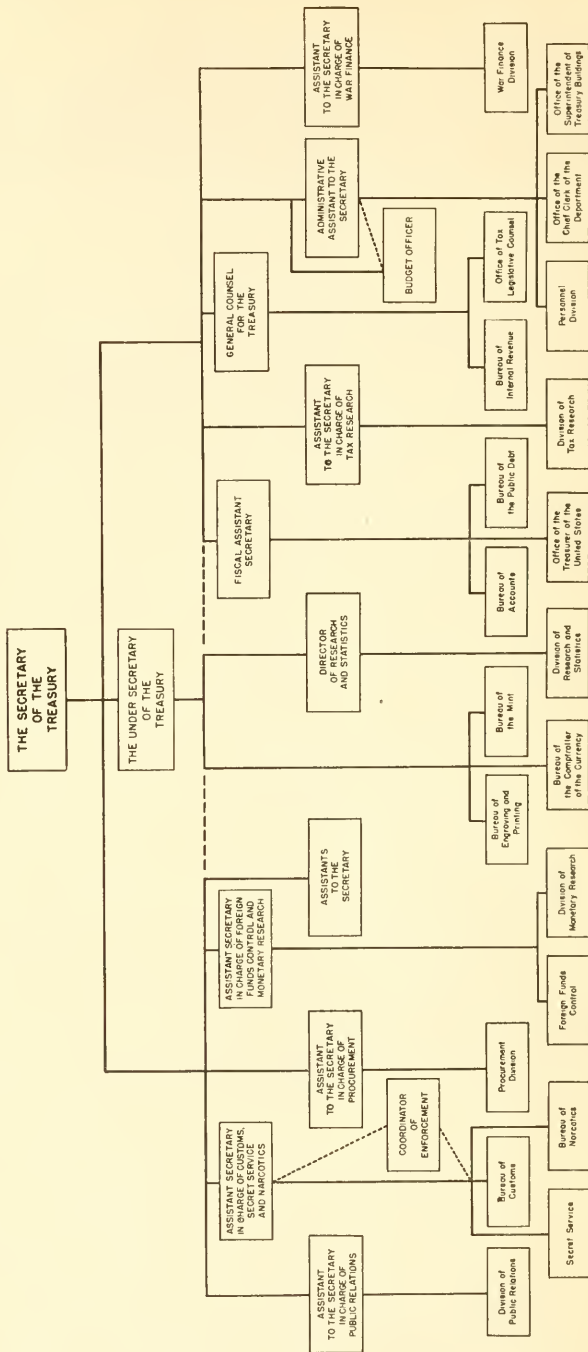
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Head of each of the several departments, establishments, and agencies in the executive branch of the Government.	Members.
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Leigh E. Ore.....	Director of Public Relations.
Charles C. Craver.....	Departmental Coordinator.
John W. Clark.....	Field Coordinator.

## November 15, 1945

November 15, 1945



## CHART 1.

# ANNUAL REPORT ON THE FINANCES

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TREASURY DEPARTMENT,  
*Washington, D. C., January 21, 1946.*

SIR: I have the honor to make the following report on the finances of the Federal Government for the fiscal year ended June 30, 1945.

During the entire fiscal year covered by this report, Mr. Henry Morgenthau, Jr., was Secretary of the Treasury; and the administrative reports, exhibits, and tables included herein, as well as the report on operations immediately following this introductory section, are devoted entirely to the period of his administration.

On July 21, 1945, Secretary Morgenthau issued a *Summary Report of the Secretary of the Treasury*, covering, from a broad policy point of view, the period of over eleven years in which he had been in office. In order to make Secretary Morgenthau's views concerning this important period of American finance more widely available to students of public affairs, I have directed that this Summary Report be reprinted as an exhibit to this report, and it appears in its entirety on pages 397 to 431.

The fiscal year 1945 saw the victory of the United States over the European Axis. Since the end of the fiscal year our victory has been made complete by the unconditional surrender of Japan; and the United States has made great strides in the reconversion to a peacetime economy.

## *Taxation*

As the Nation turns from taxation for war to taxation for peace it faces an entirely different setting from that which characterized the defense and war years. The most spectacular aspect of the wartime setting was the enormous increase in Federal Government expenditures, which climbed from \$9 billion in the fiscal year 1940 to \$100 billion in the fiscal year 1945. On one hand, this led to a doubling of the national product; on the other, it demanded unprecedented increases in tax rates. This combination of forces multiplied receipts from taxes and other nonborrowing sources nearly ninefold—from \$5.4 billion in the fiscal year 1940 to \$46.5 billion in 1945. During the period July 1, 1940, through December 31, 1945, the United States financed 43 percent of its total expenditures from these sources. During World War I, by comparison, we financed less than one-third of our total expenditures from nonborrowing sources.



The other major aspect of the wartime tax setting—less spectacular, but no less important—was the system of economic controls of which taxation was an essential part. Taxes served as a primary curb on war profiteering and as a strong buttress to the anti-inflation program. High tax rates were also an important influence in gaining acceptance of, and making effective, such direct controls as wage and price ceilings. Without sacrificing standards of equity and fairness, taxes thus proved to be a powerful and flexible economic instrument in achieving a maximum war effort.

The transition and postwar periods confront us with a new set of circumstances bearing on tax policy. Most immediately, we face the need for smooth and speedy reconversion, and tax action to that end has already been taken. More permanently, we face a postwar level of Government expenditures several times as high as the prewar level, and taxes will have to remain correspondingly high. Finally, we face the need for achieving full and stable production and a vigorous economy in the postwar period, a need which calls for a modernization of our tax structure.

*Reconversion tax policy.*—Two major steps to ease the economic transition from war to peace have already been completed in the tax field. The first was the Tax Adjustment Act of 1945, approved July 31, 1945. This timely legislation was principally designed to put business in a better position to cope with the financial problems of reconversion. It did so, not by reducing ultimate tax liabilities (except for increasing the excess profits exemption from \$10,000 to \$25,000), but by speeding the return to businesses of the tax funds to which they were entitled under provisions of wartime revenue laws.

The second major step was the granting of limited tax reductions at those points in the tax structure where they would be most effective in maintaining high levels of employment and production in the transition period. Going somewhat beyond my suggested program of \$5 billion of tax reduction, the Revenue Act of 1945, approved November 8, reduced tax liabilities for the calendar years 1946 and 1947 by nearly \$6 billion annually. It is to be noted that this law will reduce fiscal year 1946 tax collections by less than \$1 billion, most of its effect not being felt until the fiscal year 1947.

Although the tax adjustments already made to aid reconversion have been prompt and generous, we cannot assume that the problems of economic transition are of no further concern to tax policy. Quite the contrary. The peculiar economic difficulties which beset the transition process—especially the cross currents of inflation and deflation—may be either aggravated or eased by the course of taxation.

Pent-up demands for goods, combined with accumulated purchasing power, exert continued inflationary pressures, especially in the period when production is catching up. Substantial further tax reduction



occurring while inflationary pressures are strong would increase the danger of inflation.

*Taxation and economic conditions.*—Although Federal expenditures are declining rapidly as war activities are completed and liquidated, they cannot be expected to return to prewar levels. To discharge our obligations to returning veterans, to service the debt, and to maintain our military defenses will involve necessarily heavy burdens. Public works projects and programs to aid agriculture, the unemployed, and the aged will also require large outlays. Clearly, the aftermath of war and the broad array of services which the American people call upon their Government to provide will hold Federal expenditures far above prewar levels.

Consequently, the Federal tax structure is bound to be a far bigger factor in the economic health and stability of our Nation than ever before; its modernization is the very foundation of our program to achieve full production. In view of the strategic role of taxes in the postwar economy, what goals should we set for ourselves in drafting a postwar tax system?

Broadly stated, our objective is a tax structure with which the taxpayer, the Government, and the national economy can live and prosper.

The tax structure that taxpayers, both individual and corporate, can best live with will meet the test of fairness by relying on levies based on ability to pay. It will leave the individual adequate incentive to risk his funds in productive enterprise. It will be made up of taxes which are easy to understand and simple and convenient to pay.

The tax structure that the Government can best live with will produce the revenue needed to carry on the functions of Government. It will distribute taxes in a manner designed to serve the ends of national economic policy. It will be made up of taxes which can be administered fairly and economically.

The tax structure which the economy can best live and prosper with will rely on those tax measures which strengthen the forces making for a high level of national income and that tend to offset the forces making for instability in our economy.

To modernize the tax structure in accordance with these aims involves comprehensive tax revision. It is important to emphasize that tax revision does not necessarily involve tax reduction. Indeed, much of the modernization will have little to do with tax rates or exemptions. A good deal of underbrush has accumulated which must be cleared away through technical and administrative amendments. Many opportunities exist for clarifying the law and simplifying compliance. Taken in the aggregate, such changes can make the tax system considerably easier for both taxpayer and government to live with. They deserve a high priority in postwar tax legislation.

More fundamentally, we must deal with the question of the best relationship among the various components of our postwar tax structure. Our chief reliance should be on those taxes which give fullest recognition to differences in tax-paying ability and which draw least heavily on the dollars most likely to flow into consumer markets and productive investment. On balance the progressive personal income tax best meets these tests and accordingly should be the cornerstone of our peacetime revenue system.

We have before us the opportunity of making our Federal tax structure not only a more efficient revenue producer but a fairer one. Equally important, we have the opportunity of applying to the peacetime economy our war-learned lessons in using the tax system to promote economic good. A reconstructed tax system can play a vital role in the achievement of a prosperous and stable peacetime economy.

### *Debt management*

The war has left the United States with a large heritage of debt. The public debt, including guaranteed obligations, of the United States on December 31, 1945, by which time substantially all of the proceeds of the Victory Loan had been received, amounted to \$278 billion. Eighty-three percent of this debt had been incurred since June 30, 1940, when the large-scale rearmament program was just beginning. During the remainder of the present fiscal year, the debt will decrease to approximately \$275 billion, as indicated in the President's Budget Message of January 1946.

The interest-bearing debt on December 31 bore interest at an average rate of 1.96 percent, resulting in a computed annual interest charge of about \$5.4 billion. Both the computed interest charge and the average rate include the interest on Series E savings bonds at the full rate of 2.9 percent, which is paid only on bonds held to maturity. To the extent that Series E savings bonds, and other securities which pay their full rate only if held for their complete term, are redeemed before maturity, both the average rate and the computed annual interest charge on the debt will be somewhat smaller. The estimate for actual interest expenditures in the fiscal year 1947 is \$5.0 billion.

The public debt is intimately interwoven with the entire financial structure of the country. On June 30, 1945, the latest date for which comparable data for the various classes of investors are available, 58 percent of the assets of commercial banks, 60 percent of the assets of mutual savings banks, and 44 percent of the assets of insurance companies were invested in United States Government securities. In addition, individuals held \$59 billion of United States securities, comprising the largest holdings of any single nonbank investor group.

The end of the Victory Loan concluded the era of war borrowing

and marked the beginning of the era of transition and postwar debt management. We are entering this period with the debt in such shape that it can play its part in the flexible fiscal policy which will be necessary to maintain full production in the postwar period.

The particular securities of which the debt is composed have been devised as part of a conscious effort to fit the debt to the needs of the classes of investors who hold it. Accordingly, about 90 percent of the securities held by commercial and Federal Reserve Banks mature within ten years; similarly, about 95 percent of the securities held by nonfinancial corporations mature within ten years. On the other hand, in the case of insurance companies and savings banks, long-term securities predominate, and about 60 percent of the holdings for these two groups of investors do not mature until after ten years. The amounts of debt held by the different investor classes will, naturally, shift with the changing character of the economy; and the debt will have to be tailored and retailored to meet these shifting demands. This is part of the policy of flexible debt management.

There is no question of the ability of the United States to service the debt, as the estimated \$5.0 billion interest expenditure for the fiscal year 1947 amounts to less than 3 percent of the present gross product of the country. Even in years with a lower product than the present, this percentage will still be relatively small. Nevertheless, a debt of \$275 billion is not a burden to be taken lightly. The existence of this debt will be one of the most important facts of the postwar period; and the way in which it is managed will be one of the most important determinants of the character of that period.

The debt must serve as a constant reminder of how greatly our problems will be complicated if we allow our national product to fall substantially below our ability to produce. The existence of a large debt is another reason, compounded on top of all other reasons, why the United States must maintain a policy of full production in the postwar period.

It is my hope that it will be possible to reduce the debt substantially in the years ahead. This will be both possible and advisable if the economy operates at a high level, and especially advisable as long as inflationary pressures continue. One of the prime objectives of postwar economic policy should be to attain a high level of prosperity and a maximum reduction of debt consistent with the maintenance of full production.

*Policy of low interest rates.*—The President, in his Message on the State of the Union and Transmitting the Budget for the fiscal year ending June 30, 1947, said:

“Although the public debt is expected to decline, a substantial volume of refinancing will be required, because of the large volume of maturing obligations \* \* \*.

"The interest policies followed in the refinancing operations will have a major impact not only on the provision for interest payments in the future budgets, but also on the level of interest rates prevailing in private financing. The average rate of interest on the debt is now a little under 2 percent. Low interest rates will be an important force in promoting the full production and full employment in the postwar period for which we are all striving. Close wartime cooperation between the Treasury Department and the Federal Reserve System has made it possible to finance the most expensive war in history at low and stable rates of interest. This cooperation will continue."

The Treasury Department has followed a policy of low interest rates during the war, and that policy will continue in the postwar period. I believe that this policy will make an important contribution to the achievement of full production in the economy, especially after the backlog of urgent construction projects piled up by the war has been satisfied.

### *International financial relations*

In speaking of taxation and the management of the public debt I have emphasized the contribution which sound domestic policy can make to the economic and social well-being of the American people. I propose now to turn from the domestic to the foreign field and to discuss international financial affairs briefly. In doing so, I wish to emphasize the importance of sound international policy for domestic welfare.

Domestic and international affairs are, of course, indivisible. It is to our own interest, for example, that Americans should be fully employed and that the national product should be kept at the high levels measured by our ability to produce. It is also in the general international interest that these objectives be attained. The Proposals for consideration by an International Conference on Trade and Employment, released by this Government in December 1945, supply a concise summary of the benefits involved:

"It is recognized that:

"a. In all countries high and stable employment is a main condition for the attainment of satisfactory levels of living.

"b. The attainment of approximately full employment by the major industrial and trading nations, and its maintenance on a reasonably assured basis, are essential to the expansion of international trade on which the full prosperity of these and other nations depends; to the full realization of the objectives of all liberal international agreements in such fields as commercial policy, commodity problems, restrictive business practices, monetary stabilization, and



investment; and, therefore, to the preservation of world peace and security."

Let me single out one or two of these items for particular reference to the United States. We have heard much of the world's needs for dollars; of its eagerness to buy in our markets if only it possessed the means to pay; of its recourse, not having such means, to restrictive measures which discriminate against us; and of default on debts for lack of dollars. If we buy abroad we shall be able to sell abroad, and we shall, if we are prosperous here at home, buy more freely. But if we buy more, foreigners will have more dollars with which to pay us for goods and for services, such as interest on our investments abroad.

We can, I am convinced, make no greater contribution to the world's peace and prosperity than by maintaining prosperity here at home. But more is required if we are to reap the full harvest of our resources. At this moment, as we all know, the world's productive resources have in some cases been largely destroyed by war. Elsewhere they have never experienced the development of which they are capable. I am not referring primarily to the poverty and destitution with which the United Nations Relief and Rehabilitation Administration is properly designed to deal. I have in mind rather the devastation and underdevelopment of productive resources which must be corrected if the rest of the world is to stand upon its own feet and produce for itself and for us.

*Financial assistance for reconstruction and development.*—It is in our interest to assist not only in relief and rehabilitation but in reconstruction and development as well. To these latter ends this Government has taken two significant steps since the close of the fiscal year. In July 1945, following upon the United Nations Monetary and Financial Conference, in preparation for which the technical experts of this Government had played a leading role, Congress ratified the Articles of Agreement of the International Bank for Reconstruction and Development. In the same month it approved the increase of the lending authority of the Export-Import Bank from \$700 million to \$3,500 million.

The establishment of the International Bank assures international cooperation in bearing the risks inevitably involved in lending for purposes of reconstruction and development. The member nations undertake to supply, in gold and in their own currency, the working capital of the Bank. They further undertake to guarantee, jointly and severally, loans made by the Bank with funds borrowed on its own credit or floated with its guaranty.

The United States will subscribe for \$3,175 million of the Bank's capital. Twenty percent of this amount is subject to call for working capital purposes, whereas the remainder is callable only to recoup

the Bank for losses not covered by its earnings. Except that their subscriptions differ in total amount, other member countries are subject to the same undertakings. In this way practical recognition is given to the truth that economic reconstruction and development benefit all nations and not only those involved immediately as borrowers or lenders.

The Export-Import Bank is an agency established and financed by this Government alone. Its principal function has been the promotion of foreign trade, and more recently it has also undertaken to extend credit for economic development, as in Latin America, and for emergency reconstruction of war-devastated areas, pending the functioning of the International Bank.

With these resources, it will be possible to inaugurate the process of reconstruction and development in so far as that process requires material assistance from other countries. Neither the International bank nor the Export-Import Bank is designed to finance domestic costs, such as wage payments, internal transport costs and the like. Both institutions have special regard for specific productive undertakings. They are designed to help the world get on its feet productively.

*Lowering of trade barriers.*—There is another aspect of international economic relations which is less tangible but no less real than those previously discussed. I refer to what may be called the “rules of the international trading game.” We Americans are likely to regard as self-evident the proposition that trade should be conducted on the basis of the free choices of individuals. We characteristically resent controls which prevent us from buying or selling when and where we want, and we are perhaps inclined to assume that a similar freedom of choice must inevitably prevail everywhere. The events of the last fifteen years must by now have convinced us, however, that there is nothing inevitable about freedom. The world will in no small measure be what we make of it.

We ourselves have not always fully observed the rules of freedom of choice. On the whole, however, we have not gone so far as have some other countries in contriving controls over the international transactions of private citizens. We have not, except during the war, undertaken to supervise and regulate international payments. Elsewhere, exchange control, with its mobilization and rationing of foreign exchange, has become almost universal. Some countries have resorted widely to import quotas and prohibitions, import licenses and the like. It is the common characteristic of all these devices that they divert and warp the channels of trade which emerge when individuals are free to buy and sell as they wish.

In some part these measures have been defenses against the economic collapse of the 'thirties. In part they have been the deliberate



contrivings of economic warfare. Whatever their purpose, however, their effect has been to restrict and even to throttle international trade and finance. They stand today as bars against the increase of trade and commerce which the world requires for the recovery of its economic health and welfare. And if, as I firmly believe, they are inconsistent with the kind of trading world which we hope to achieve, it behooves us to assume a position of leadership in securing their removal.

These national restrictive devices tend to perpetuate each other in the sense that no single nation feels safe in relaxing what it regards as its economic defenses unless it has the assurance that other nations are prepared to do likewise. The problem of relaxing these controls is therefore essentially multilateral in nature. When nations must act together, however, some one among them has to assume the initiative, if only to "set the ball rolling." It was in this spirit that the Government of the United States convened the United Nations Monetary and Financial Conference, out of which emerged the Articles of Agreement of the International Monetary Fund, ratified by Congress in the act referred to in connection with my discussion of the International Bank. It was in the same spirit that the executive branch of this Government has undertaken to prepare and submit to the nations of the world a proposal for an international trade organization to deal with tariffs, quotas, subsidies, restrictive business practices, and the like.

The international monetary fund is primarily an undertaking on the part of subscribing nations to submit their foreign exchange practices to their own joint supervision and control. It constitutes common recognition of the restrictive effect of restraints and discriminations involved in the control by governments over international payments. Only as the consequences of this purpose is it a financial institution. The fund is equipped with resources so that it can relieve individual members, during periods of temporary adversity, of the necessity of re-instituting the controls they undertake to relinquish. The United States, by accepting membership in the fund, agrees to invest \$2,750 million, twenty-five percent in gold and the balance in United States dollars. The other members similarly undertake to make available, in amounts varying with their circumstances, gold and their national currencies. In this manner there is constituted a pool upon which, in exchange for its own currency, a temporarily distressed member may draw to secure funds needed to continue foreign payments. In the absence of this pool, that country might well be forced to reestablish the controls it had undertaken to eliminate.

*United Kingdom-United States Financial Agreement.*—In the same spirit in which it enlarged the capital of the Export-Import Bank,

accepted the International Bank and international monetary fund proposals, and advanced the plan for an international trade conference, the United States Government has recently negotiated a Financial Agreement with the United Kingdom. This agreement makes available to the United Kingdom, if Congress acts favorably upon it, a line of credit of \$3,750 million. This line of credit will make it possible for the British to agree to discontinue practices which discriminate against American trade and are restrictive in character, and to work with the United States in the development of expanding world commerce on a multilateral basis. The purposes of the credit are set forth in the text of the Financial Agreement as follows:

"The purpose of the line of credit is to facilitate purchases by the United Kingdom of goods and services in the United States, to assist the United Kingdom to meet transitional postwar deficits in its current balance of payments, to help the United Kingdom to maintain adequate reserves of gold and dollars, and to assist the Government of the United Kingdom to assume the obligations of multilateral trade, as defined in this and other agreements."

Before the war the United Kingdom was the world's greatest importer, and will, in a reasonably ordered trading community, again occupy high rank. Given time it can restore its external earning position to the point where it will be able once again to trade on a nondiscriminatory basis with all countries. Without that grant of time the United Kingdom will be obliged to continue and to expand the exclusive trading privileges which, with respect to much of the commercial world, it developed under the duress of war. Even under these conditions it would be obliged severely to restrict imports.

Taken together with the other arrangements announced at the same time, this Financial Agreement with the United Kingdom will, in the words of President Truman and Prime Minister Attlee, "put an end to the fear of an economically divided world."

FRED M. VINSON,  
*Secretary of the Treasury.*

TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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## REPORT ON OPERATIONS

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## RECEIPTS IN GENERAL AND SPECIAL ACCOUNTS

Total receipts in general and special accounts in the fiscal year 1945 amounted to a record volume of \$47.7 billion and compared with \$45.4 billion in 1944 and \$23.4 billion in 1943. Net receipts, which consist of total receipts less the net appropriation for the Federal old-age and survivors insurance trust fund, amounted to \$46.5 billion in the fiscal year 1945.

In the 5-year period beginning July 1, 1940, total receipts were \$138.5 billion. Of this aggregate, income and excess profits taxes brought in \$97.4 billion, or 70.3 percent. Net appropriations to the Federal old-age and survivors insurance trust fund amounted to \$5.2 billion in the 5 years, leaving net receipts of \$133.3 billion. Detailed data are contained in the tables beginning on page 440.

A comparison of total and net receipts for each of the five war years is shown in the table which follows. Chart 2 on page 14 outlines receipts by sources.

### *Receipts, fiscal years 1941 through 1945*

(Dollars in billions. On basis of daily Treasury statements, see p. 437)

Year	Income and excess profits taxes		All other <sup>1</sup>		Total receipts		Net appropriation to Federal old-age and survivors insurance trust fund <sup>2</sup>	Net receipts
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Amount
1941.....	\$3.5	42.0	\$4.8	58.0	\$8.3	100.0	\$0.7	\$7.6
1942.....	8.0	58.2	5.7	41.8	13.7	100.0	.9	12.8
1943.....	16.1	68.8	7.3	31.2	23.4	100.0	1.1	22.3
1944.....	34.7	76.3	10.8	23.7	45.4	100.0	1.3	44.1
1945.....	35.2	73.7	12.6	26.3	47.7	100.0	1.3	46.5
Total.....	97.4	70.3	41.1	29.7	138.5	100.0	5.2	133.3

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Includes receipts from miscellaneous internal revenue, employment taxes, customs duties, and miscellaneous receipts.

<sup>2</sup> Represents appropriations equal to "Social security taxes-Federal Insurance Contributions Act" collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939 less reimbursements to the General Fund for administrative expenses.

Total receipts in the fiscal year 1945 were only 5 percent larger than in 1944, but they were nearly six times the receipts in 1941, just before the initial wartime revenue law was enacted. By far the greater part of the increase since 1941, both absolutely and proportionately, has come from income and excess profits taxes.

# RECEIPTS: CLASSIFIED BY MAJOR SOURCES FISCAL YEARS 1939 THROUGH 1945

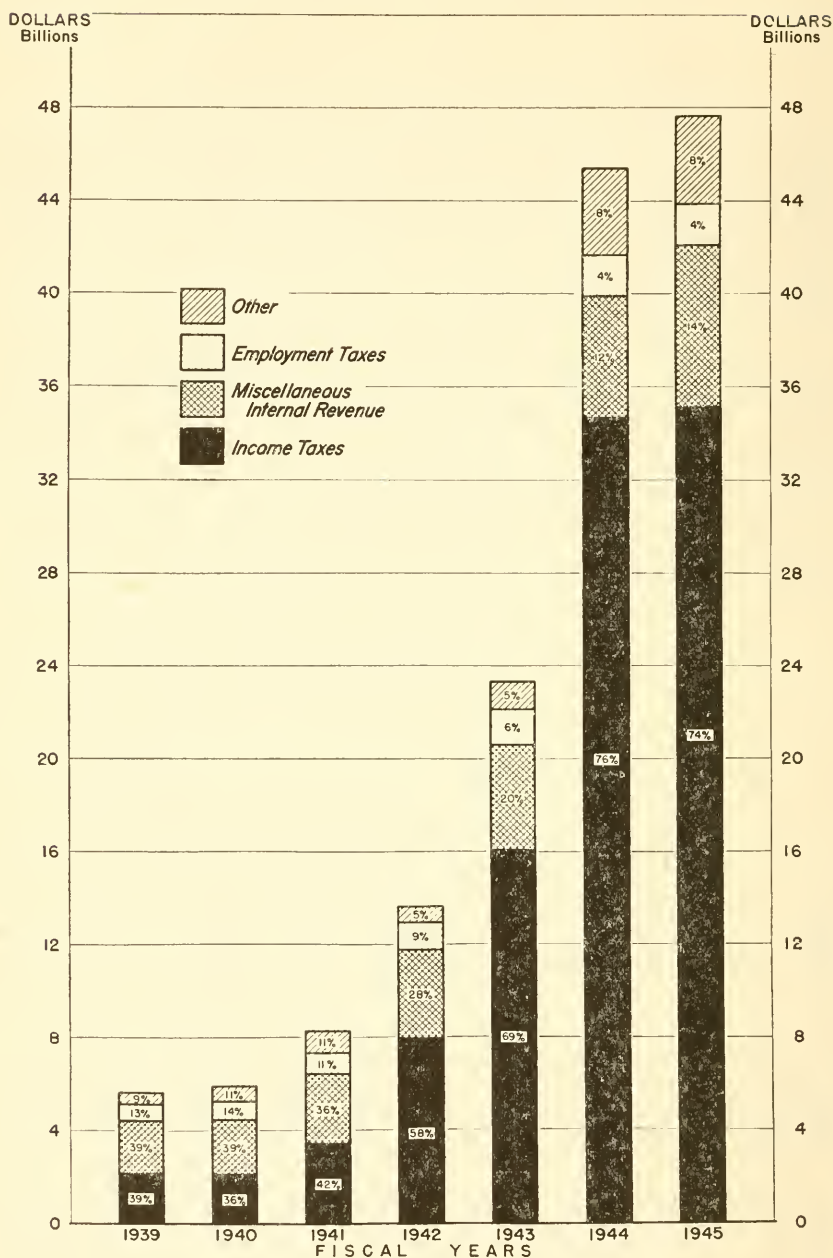


CHART 2.

<sup>1</sup> Excludes trust account receipts and net appropriation to the Federal old-age and survivors insurance trust fund.



*Receipts from income and excess profits taxes*

In 1945, income and excess profits taxes accounted for \$35.2 billion, or 10 times as much as in 1941. As a proportion of total receipts, these taxes accounted for 73.7 percent in 1945, as compared with 42.0 percent in 1941. In comparison with 1944, the 1945 receipts from these taxes increased a half billion dollars, although they represented a slightly smaller percentage of total receipts. The net increase of a half billion dollars resulted from an increase of \$1,151.5 million in receipts from corporations and a decrease of \$633.4 million in receipts from individuals.

As between the two sources, the individual income tax has for 2 years provided the larger amount of revenue receipts, and for the war period as a whole it brought in more receipts than any other single tax source. The table following shows for each of the 5 years the amount of income and excess profits taxes received from individuals and corporations.

*Income and excess profits tax receipts from individuals and corporations, fiscal years 1941 through 1945*

[Dollars in millions. Individual and corporation tax collections adjusted to daily Treasury statement basis, see p. 437]

Year	Individual		Corporation		Total	
	Amount	Percent of total receipts	Amount	Percent of total receipts	Amount	Percent of total receipts
1941-----	\$1,416.2	17.1	\$2,053.5	24.8	\$3,469.6	42.0
1942-----	3,216.4	23.5	4,744.1	34.7	7,960.5	58.2
1943-----	6,505.0	27.8	9,588.7	41.0	16,093.7	68.8
1944-----	19,779.2	43.6	14,875.7	32.8	34,654.9	76.3
1945-----	19,145.8	40.1	16,027.2	33.6	35,173.1	73.7
Total-----	50,062.5	36.2	47,289.2	34.2	97,351.7	70.3

NOTE.—Figures are rounded and will not necessarily add to totals.

## INDIVIDUAL INCOME TAXES

The individual income tax receipts of \$19,145.8 million in the fiscal year 1945, as noted above, were for the second successive year the most important source. Their decrease from the year before, however, marked the end of 4 consecutive years in which individual income tax receipts had increased.

Ordinarily, receipts in 1945 would have been larger than in 1944 because of the higher levels of income, but special circumstances combined to make receipts abnormally large in the fiscal year 1944. As described in previous annual reports, these circumstances arose from provisions of the Current Tax Payment Act of 1943 for payments in connection with the transition to the so-called pay-as-you-go system instituted in 1944.<sup>1</sup> While the Current Tax Payment Act of

<sup>1</sup> Described in the 1943 annual report, p. 111.

1943 did not reduce exemptions or increase tax rates, it did add to the normal calendar year 1943 liability two nonrecurring offsets to the forgiveness of 1942 liability which were largely paid in the fiscal year 1944. One of these, the excess of the 1942 over the 1943 liability wherever the 1942 liability was the larger, was entirely due and payable in the fiscal year 1944. The other nonrecurring addition could be paid in two equal installments, one due in March 1944 and the other in March 1945. It appears, however, that by far the larger proportion was paid in the fiscal year 1944.

Still another provision served to augment 1944 receipts. The Current Tax Payment Act went into effect in July 1943 after two payments had already been made on calendar year 1942 liability. The 1943 liability (before addition of the nonrecurring items) of most persons exceeded their 1942 liability and they were required in the fiscal year 1944 to make up the difference between this part of the 1943 liability and the lower 1942 liability which had to be paid by March 1944.

The table which follows shows individual income taxes withheld under the Current Tax Payment Act of 1943, taxes not withheld, and back taxes. These figures are on a collection basis as compiled by Collectors of Internal Revenue from tax returns filed, since corresponding detail is not available in the receipts shown in the daily Treasury statement. Adjustment of part of the figures to the basis of the daily Treasury statement also is shown.

*Individual income taxes withheld and not withheld, fiscal years 1941 through 1945*

[In millions of dollars. On basis of internal revenue collections, and adjusted to daily Treasury statement basis (see p. 437)]

Year	Collection basis			Daily Treasury statement basis		
	With- held	Not withheld		With- held	Not withheld	Total
		Current	Back taxes			
1941.....		1,314.3	103.4	1,417.7	1,416.2	1,416.2
1942.....		3,108.0	154.8	3,262.8	3,216.4	3,216.4
1943.....	686.0	5,771.0	172.9	6,629.9	5,818.9	6,505.0
1944.....	7,823.4	10,253.8	183.7	18,261.0	10,601.4	19,779.2
1945.....	10,264.2	8,258.5	1,511.6	19,034.3	8,856.6	19,145.8
Total.....	18,773.7	28,705.6	1,126.4	48,605.7	29,909.4	50,062.5

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Consists principally of the final payment of the so-called unforgiven tax of the 1943 tax liability, which was due in March 1945.

More than one-half, 53.7 percent, of the \$19,145.8 million total of individual income tax receipts in 1945 were collected by employers by withholding from salaries and wages. Receipts of individual income taxes withheld amounted to \$10,289.2 million in the fiscal year 1945, an increase of \$1,111.4 million over those in the preceding year.

Withheld taxes in 1944 were 46.4 percent of the total, and in 1943, the first year of such collections, they amounted to 10.5 percent.

The rise in withholdings in 1945 was caused by two factors. First, the Individual Income Tax Act of 1944 changed the rates of withholding (rates which under the Current Tax Payment Act of 1943 had covered only one surtax bracket) to cover the first two surtax brackets for the calendar year 1945. This resulted in increased amounts withheld beginning with January 1945, which were reflected in receipts of the last 5 months of the fiscal year 1945. Second, the total salaries and wages from which taxes were withheld affecting receipts during the fiscal year 1945 were greater than those affecting receipts in the fiscal year 1944.

Receipts of individual income taxes not withheld were approximately \$8,856.6 million, a decrease of \$1,744.7 million received from this source in the fiscal year 1944. As indicated above, this decrease resulted from the abnormal concentration of receipts in the fiscal year 1944.

#### CORPORATION INCOME AND EXCESS PROFITS TAXES

Receipts of total corporation income and excess profits taxes amounted to \$16,027.2 million in the fiscal year 1945, which was \$1,151.5 million more than the previous record of the year before. While 1945 receipts represented a continuing upward trend in revenues from this source, the increase was at a greatly diminished rate as compared with earlier war years. The increase of 7.7 percent in 1945 receipts over 1944 receipts compared with the 55.1 percent increase between 1943 and 1944 and with the 102.1 percent increase between 1942 and 1943.

Details, not available on the daily Treasury statement basis, are shown on a collection basis for the fiscal years 1941 through 1945 in the table which follows, with the total adjusted to the daily Treasury statement basis.

#### *Corporation income and excess profits taxes, fiscal years 1941 through 1945*

[In millions of dollars. On basis of internal revenue collections, see p. 438]

Year	Income	Excess profits	Declared value excess profits	Back taxes	Total	Total adjusted to daily Treasury statement basis
1941-----	1,649.0	159.7	22.8	222.0	2,053.5	2,053.5
1942-----	2,764.0	1,595.4	39.1	345.6	4,744.1	4,744.1
1943-----	4,137.0	4,844.0	61.1	626.9	9,669.0	9,588.7
1944-----	4,762.7	8,479.4	109.9	1,414.8	14,766.8	14,875.7
1945-----	4,421.7	10,111.9	117.9	1,375.7	16,027.2	16,027.2
Total-----	17,734.4	25,190.3	350.8	3,985.0	47,260.5	47,289.2

NOTE.—Figures are rounded and will not necessarily add to totals.

The relatively minor change in total receipts in the fiscal year 1945 reflected the fact that corporation profits appear to have reached their wartime peak in the calendar year 1943 and the fact that changes in the tax structure introduced by the Revenue Act of 1943 (affecting 1944 liability and 1945 receipts) were less lucrative than previous statutory changes.

The excess profits tax accounted for 63.1 percent of total corporation tax collections in the fiscal year 1945, and was responsible for practically all of the increase over the preceding year in collections from corporations. Relatively minor decreases in collections of corporation income taxes and of back taxes counterbalanced part of the increase in the excess profits taxes, thus lowering the over-all increase in collections of total corporation income and excess profits taxes.

The rise of \$1,632.5 million from the fiscal year 1944 collections of excess profits taxes to \$10,111.9 million collected in the fiscal year 1945 reflected both the increase in the excess profits tax rate applicable to the calendar year 1944 liability and the peak corporation income in the calendar year 1943. Revenues from excess profits taxes on 1943 corporate income liability are about equally divided between the fiscal years 1944 and 1945. Several changes in the Revenue Act of 1943 first became effective with respect to the excess profits tax liabilities of 1944. Two of these changes resulted in increased liabilities: First, the excess profits tax gross rate was increased from 90 to 95 percent; and second, the excess profits tax credit was reduced for certain classes of corporations using the invested capital method of computing the tax. Another change, the increase of the specific exemption from \$5,000 to \$10,000, tended to decrease the excess profits liability, but its effect was not sufficient to offset the influence of the first two provisions and the influence of the higher levels of corporate income.

Collections of taxes on corporate income subject to normal tax and surtax declined \$341.0 million in the fiscal year 1945 from those in 1944. In the 5-year war period these taxes produced an aggregate of \$17.7 billion in comparison with \$25.2 billion from excess profits taxes.

Collections of declared value excess profits taxes increased 7.3 percent from \$109.9 million in 1944 to \$117.9 million in 1945. Revenues from this tax tend in general to be erratic, for it applies only if a corporation fails to declare its capital stock at a value equal to 10 times the earnings taxable under the declared value excess profits tax. The amount received from this tax depends, therefore, upon the accuracy with which corporations predict their earnings.



*Receipts from all other sources*

Receipts from sources other than income and excess profits taxes totaled \$12.6 billion, over two and one-half times the amount in 1941. Of the 1945 total receipts of \$47.7 billion, this group accounted for 26.3 percent. Increases over 1944 in the categories of miscellaneous internal revenue, employment tax receipts, and miscellaneous receipts offset a decrease of \$76.5 million in customs duties, yielding a net increase of \$1.8 billion. The table following summarizes the four main sources of such receipts for the 5 fiscal years beginning with 1941.

*Receipts from sources other than income and excess profits taxes,<sup>1</sup> fiscal years 1941 through 1945*

[In millions of dollars]

Source	1941	1942	1943	1944	1945	Total
Miscellaneous internal revenue:						
Capital stock tax.....	166.7	281.9	328.8	380.7	372.0	1,530.0
Estate and gift tax.....	407.1	432.5	447.5	511.2	643.1	2,441.4
Liquor <sup>2</sup> .....	818.5	1,046.9	1,423.5	1,618.0	2,309.8	7,216.7
Tobacco <sup>2</sup> .....	693.2	780.8	915.3	988.4	932.1	4,309.8
Stamp taxes.....	39.1	41.7	45.2	50.8	65.5	242.2
Manufacturers' excise taxes.....	617.0	768.3	488.4	502.7	782.1	3,158.5
Retailers' excise taxes.....		80.2	165.3	225.2	424.1	894.8
Miscellaneous taxes.....	207.2	405.4	757.3	1,076.2	1,430.9	3,877.0
Total miscellaneous internal revenue (collection basis).....	2,954.6	3,837.7	4,571.1	5,353.3	6,959.6	23,676.3
Adjustment to daily Treasury statement basis.....	12.3	9.4	-18.5	-62.3	-10.2	-69.2
Total miscellaneous internal revenue (daily Treasury statement basis).....	2,966.9	3,847.1	4,552.6	5,291.0	6,949.4	23,607.1
Employment taxes and railroad unemployment insurance contributions.....	932.0	1,194.0	1,507.9	1,751.2	1,792.7	7,177.9
Customs.....	391.9	388.9	324.3	431.3	354.8	1,891.1
Miscellaneous receipts:						
Renegotiation of war contracts.....			558.2	<sup>3</sup> 2,235.4	<sup>3</sup> 2,040.9	<sup>3</sup> 4,834.5
All other.....	508.2	277.4	347.9	1,044.7	1,428.6	3,606.7
Total miscellaneous receipts.....	508.2	277.4	906.1	3,280.1	3,469.5	8,441.3
Total.....	4,798.9	5,707.4	7,291.0	10,753.6	12,566.5	41,117.4

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> The detail of miscellaneous internal revenue taxes is on the basis of internal revenue collections with totals adjusted to the basis of the daily Treasury statement. Employment taxes and railroad unemployment insurance contributions, customs, and miscellaneous receipts (but not the components) are shown on the daily Treasury statement basis. Information regarding the amounts of deposits resulting from the renegotiation of war contracts is on the basis of covering warrants.

<sup>2</sup> Collections for credit to trust funds are not included.

<sup>3</sup> Includes so-called voluntary returns.

## MISCELLANEOUS INTERNAL REVENUE

The greatest increase over 1944 for any of the major sources of total receipts occurred in miscellaneous internal revenue receipts which for the first time reflected a full year's collection under the increased wartime rates and new taxes, and with the elimination of Government exemptions provided by the Révenue Act of 1943. Collections from every major group except the tobacco taxes increased over collections

in 1944. In the 5-year period beginning July 1, 1940, miscellaneous internal revenue receipts have yielded \$23.6 billion, or 17.0 percent of the total receipts.

*Capital stock tax.*—Collections from the capital stock tax were \$372.0 million in the fiscal year 1945, slightly less than the 1944 total of \$380.7 million. The decrease reflected a lower valuation in 1944 than in 1943 of capital stock.

*Estate and gift taxes.*—Collections of \$643.1 million in the fiscal year 1945 from estate and gift taxes were substantially in excess of the \$511.2 million received in the previous year. Since there were only slight differences in the law with respect to returns filed in the 2 years, and since the number of very large estates and gifts was not unusual, the increase resulted mainly from an increase in the value of the property transferred, particularly with respect to medium-sized estates.

*Liquor taxes.*—Liquor tax collections of \$2,309.8 million were \$691.8 million greater than in the fiscal year 1944. This large increase reflected a more ample supply of distilled spirits, resulting from resumption of the distilling of beverage alcohol, and the increased wartime tax rates on distilled spirits, fermented malt liquors, and wines, enacted by the Revenue Act of 1943, and effective during the entire fiscal year 1945 as compared with only 3 months of the previous year. In the 5-year war period, a total of \$7.2 billion of liquor tax collections represented a substantial portion and the largest single item of miscellaneous internal revenue.

*Tobacco and products taxes.*—Tobacco tax collections of \$932.1 million were \$56.3 million less than in the fiscal year 1944. Since the tax rates were unchanged and civilian income was increased in the fiscal year 1945, the decrease in receipts is attributable solely to the smaller supply available for civilians, as a result of the increased amount of tax-free withdrawals of cigarettes going to the armed forces. Since the beginning of the fiscal year 1941, collections of tobacco taxes have amounted to \$4.3 billion, and have constituted the second most important source of miscellaneous internal revenue.

*Stamp taxes.*—Collections from stamp taxes on issues of securities, bond and stock transfers, etc., and on playing cards and silver bullion sales were \$65.5 million during the fiscal year 1945. These collections exceeded by \$14.7 million those in 1944.

*Manufacturers' excise taxes.*—Manufacturers' excise taxes increased from \$502.7 million in the fiscal year 1944 to \$782.1 million in 1945. Since the passage of the Revenue Act of 1943 and the expiration of old contracts for delivery, the Federal Government has paid taxes, classified almost entirely as manufacturers' excise taxes, on its purchases of taxable items. The major part of the \$279.4 million increase resulted from increased tax payments by the Federal Government on



its purchases of war materials, particularly gasoline, fuel oil, and automotive equipment.

For the 5 years beginning with the fiscal year 1941, manufacturers' excise tax collections have amounted to over \$3.2 billion. The principal taxes in this category are shown for the 5-year period in the table which follows:

*Manufacturers' excise taxes, fiscal years 1941 through 1945*

[In millions of dollars. On basis of internal revenue collections, see p. 438]

Year	Gasoline	Automobiles, trucks, tires, tubes, parts, and accessories	Lubricating oils	Electrical energy	Other	Total
1941.....	343.0	156.3	38.2	47.0	32.5	617.0
1942.....	369.6	180.5	46.4	50.0	121.8	768.3
1943.....	288.8	44.4	43.3	48.7	63.1	488.4
1944.....	271.2	76.3	52.5	51.2	51.4	502.7
1945.....	405.6	148.1	92.9	57.0	78.6	782.1
Total.....	1,678.2	605.6	273.3	253.9	347.4	3,158.5

NOTE.—Figures are rounded and will not necessarily add to totals.

*Retailers' excise taxes.*—The retailers' excise tax collections of \$424.1 million almost doubled the collections of \$225.2 million in the fiscal year 1944. The increase of \$133.4 million from the taxes on jewelry, furs, and toilet preparations resulted from the increased tax rates on all three under the Revenue Act of 1943 and to a lesser degree from increased spending by individuals. The retailers' tax on luggage, handbags, wallets, etc., which was a new levy and effective in only 2 months of the fiscal year 1944, accounted for \$65.5 million of the total increase of \$198.9 million.

Retailers' excise tax receipts have totaled \$894.8 million in the 4 years since 1942, when such taxes were first imposed as a war measure. The principal sources of these receipts are outlined in the following table.

*Retailers' excise taxes, fiscal years 1942<sup>1</sup> through 1945*

[In millions of dollars. On basis of internal revenue collections, see p. 438]

Year	Jewelry	Furs	Toilet pre- parations	Luggage	Total
1942.....	41.5	19.7	18.9	.....	80.2
1943.....	88.4	44.2	32.7	.....	165.3
1944.....	113.4	58.7	44.8	8.3	225.2
1945.....	184.2	79.4	86.6	73.9	424.1
Total.....	427.5	202.1	183.0	82.2	894.8

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Retailers' excise taxes were not in effect in the fiscal year 1941.

*Miscellaneous taxes.*—The miscellaneous tax collections of \$1,430.9 million exceeded by \$354.7 million collections in the fiscal year 1944. The taxes on telephone, telegraph, and allied services, on admissions,

and on the transportation of persons accounted for \$342.8 million of the total increase of \$354.7 million. In each case the increased tax rates under the Revenue Act of 1943 were primarily responsible for the increase in liability payable in the fiscal year 1945.

There were small changes in miscellaneous tax collections from the more important sources of revenue which were unaffected by tax rate changes. Thus there were slight increases in collections from the sugar tax and the tax on transportation of property, and a small decrease from the tax on the use of motor vehicles. The other sources in the miscellaneous tax group bring in relatively small collections, although higher tax rates on club dues and initiation fees and on bowling alleys and billiard and pool tables resulted in a small increase from these sources.

During the period beginning July 1, 1940, and ending June 30, 1945, miscellaneous taxes yielded \$3.9 billion. The principal taxes in this group are shown in the following table.

*Miscellaneous taxes, fiscal years 1941 through 1945*

[In millions of dollars. On basis of internal revenue collections, see p. 438]

Source	1941	1942	1943	1944	1945	Total
Telephone, telegraph, radio, and cable facilities, etc.....	27.3	48.2	91.2	141.3	208.0	516.0
Local telephone service.....		26.8	67.0	90.2	133.6	317.5
Transportation of persons.....		21.4	87.1	153.7	234.2	496.4
Transportation of property.....			82.6	215.5	221.1	519.1
Admissions.....	71.0	115.0	154.5	205.3	357.5	903.2
Use of motor vehicles and boats.....		72.9	146.7	134.7	129.0	483.2
Sugar tax.....	74.8	68.2	53.6	68.8	73.3	338.7
All other, including repealed taxes.....	34.0	52.9	74.8	66.8	74.2	302.8
Total.....	207.2	405.4	757.3	1,076.2	1,430.9	3,877.0

NOTE.—Figures are rounded and will not necessarily add to totals.

## EMPLOYMENT TAXES AND RAILROAD UNEMPLOYMENT INSURANCE CONTRIBUTIONS

Total receipts from employment taxes, including railroad unemployment insurance contributions, in the fiscal year 1945 amounted to \$1,792.7 million. This was an increase of \$41.5 million over total receipts in 1944. The tax rates and the coverage were the same in the 2 years for each of the employment taxes. The \$41.5 million increase came, therefore, from a rise in the level of taxable pay rolls in the period governing receipts in the fiscal year 1945. As the result of a lessening in the growth of war production activity, the increases in pay rolls and in employment tax receipts were substantially smaller than the comparable increases of the fiscal year 1944 over the fiscal year 1943.

In the 5 fiscal years, 1941 through 1945, employment tax receipts have yielded \$7.2 billion, or 5.3 percent of total receipts for the period. Employment taxes for the 5 war years are shown in the following table.

*Employment tax receipts and railroad unemployment insurance contributions, fiscal years 1941 through 1945*

[In millions of dollars. On basis of daily Treasury statements, see p. 437]

Year	Federal Insurance Contributions Act	Federal Unemployment Tax Act	Carriers and their employees	Railroad unemployment insurance contributions <sup>1</sup>	Total employment taxes	Net employment taxes <sup>2</sup>
1941.....	690.6	97.7	136.9	6.8	932.0	270.7
1942.....	895.6	119.9	170.0	8.5	1,194.0	325.2
1943.....	1,130.5	158.4	208.8	10.3	1,507.9	404.9
1944.....	1,292.1	179.9	267.1	12.1	1,751.2	491.7
1945.....	1,309.9	184.5	285.0	13.2	1,792.7	509.7
Total.....	5,318.7	740.4	1,067.9	50.9	7,177.9	2,002.3

NOTE—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Not classified as an employment tax under the Internal Revenue Code.

<sup>2</sup> After deduction from total employment taxes of the net appropriation to Federal old-age and survivors insurance trust fund. (See table on p. 13 of this report.)

The trend of receipts for the past 5 years has been upward at approximately equal rates for the several employment taxes. In each year of the period 1941 through 1945 the Federal Insurance Contributions Act has accounted for approximately three-quarters of the employment tax receipts. All receipts under the Federal Insurance Contributions Act, except a minor portion representing reimbursements to the General Fund for administrative expenses, comprise the net appropriation to the Federal old-age and survivors insurance trust fund.

The tax imposed by the Federal Insurance Contributions Act yielded \$1,309.9 million in the fiscal year 1945, an increase of \$17.8 million over receipts of \$1,292.1 million in the preceding year. The automatic increase in the tax rate (from 1 percent each on employer and employee to 2 percent each) which was scheduled to become effective on January 1, 1945, again was postponed for a period of 1 year by Public Law 495, approved December 16, 1944.

Net receipts in the fiscal year 1945 from employment taxes were \$509.7 million after deducting the net appropriation to the Federal old-age and survivors insurance trust fund. The increase over net receipts in 1944 was \$18.0 million as compared with the increase in total receipts of \$41.5 million. Taxes on carriers and their employees yielded \$285.0 million or 55.9 percent of net receipts in 1945, while the remaining 44.1 percent was made up of taxes of \$184.5 million under the Federal Unemployment Tax Act, \$13.2 million of railroad un-

employment insurance contributions, and \$26.9 million of receipts under the Federal Insurance Contributions Act which were paid into the General Fund as reimbursements for administrative expenses.

## CUSTOMS

Customs receipts in the fiscal year 1945 dropped to \$354.8 million, which was \$76.5 million less than receipts of \$431.3 million in 1944. The decline was caused by marked decreases in imports of metals (subject to duty), liquors, and wools, and by the classification of practically all imports of sugar in the fiscal year 1945 as strategic materials entered duty free under the provisions of Executive Order 9177.

## MISCELLANEOUS RECEIPTS

Miscellaneous receipts in the fiscal year 1945, as shown in the table on page 19, were \$3,469.5 million, a net increase of \$189.4 million over the \$3,280.1 million in the previous year. Recoveries from the renegotiation of war contracts amounting to 58.8 percent, constituted by far the largest portion of these receipts. Although recoveries from the renegotiation of war contracts decreased by \$194.5 million in 1945 as compared with 1944, the decrease was more than offset by an increase of \$383.9 million in all other miscellaneous receipts. For the 5-year period beginning July 1, 1940, and ending June 30, 1945, miscellaneous receipts have produced \$8.4 billion. This amount represented 6.1 percent of total receipts for the period.

*Renegotiation of war contracts.*—Recoveries from the renegotiation of war contracts in the fiscal year 1945 amounted to \$2,040.9 million in comparison with \$2,235.4 million in 1944. The decrease was the result of the Government's added experience in procurement pricing. Beginning with the fiscal year 1943 when recoveries from the renegotiation of war contracts were first paid into the Treasury, these receipts have totaled \$4.8 billion for the 3 fiscal years ending with 1945. The contracts were entered into by the War and Navy Departments, the United States Maritime Commission, and the Treasury Department.

## EXPENDITURES FROM GENERAL AND SPECIAL ACCOUNTS

Total expenditures of the Federal Government from general and special accounts amounted to \$100.4 billion in the fiscal year 1945. Expenditures in the last full year of the war exceeded those in the fiscal year 1944 by \$6.7 billion.

Expenditures in the 5 war years classified to show separately those for war, activities related mainly to war, and other activities are shown in the table which follows and in Chart 3 on page 26.



*Budgetary expenditures, fiscal years 1941 through 1945*

[Dollars in billions. On basis of daily Treasury statements, see p. 437]

Fiscal year	War		Mainly related to war <sup>1</sup>		Other <sup>2</sup>		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1941.....	\$6.3	49.3	\$1.8	13.8	\$4.7	36.9	\$12.8	100.0
1942.....	26.0	80.1	1.9	5.9	4.6	14.1	32.5	100.0
1943.....	72.1	92.2	2.5	3.2	3.6	4.6	78.2	100.0
1944.....	87.0	92.8	3.6	3.8	3.1	3.3	93.7	100.0
1945.....	90.0	89.7	7.4	7.4	3.0	3.0	100.4	100.0
Total.....	281.5	88.6	17.2	5.4	18.9	6.0	317.6	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Interest on the public debt, veterans' pensions and benefits, and refunds of taxes and duties.<sup>2</sup> Includes statutory debt retirements.

War expenditures of \$90.0 billion were the highest of any year and were \$3.0 billion more than in the year before. The 1945 war expenditures represented a somewhat smaller proportion of all expenditures, however, than in the fiscal years 1943 and 1944.

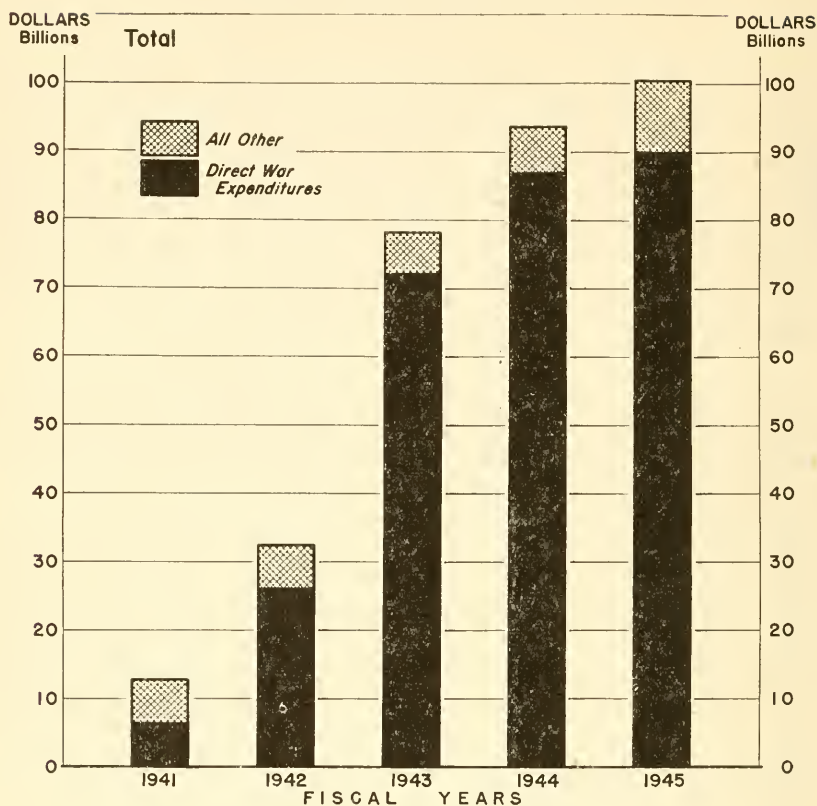
Expenditures other than war expenditures constituted 10.4 percent of the total against 7.1 percent in the year before and formed a new pattern of outlays in the fiscal year 1945. The smaller part of these consisted of expenditures from regular departmental and agency appropriations. At \$3.0 billion they were the lowest of the war period. The larger part amounted to \$7.4 billion and consisted of disbursements for three items emanating principally from the war: interest on the public debt, veterans' pensions and benefits, and refunds of taxes and duties. Taken together, they increased \$3.8 billion and more than doubled those in 1944.

Total monthly expenditures touched a new high of \$9.6 billion in June 1945, which compared with \$8.6 billion in June 1944, the record month of the preceding fiscal year. War expenditures, slightly above the high plateau of the fiscal year 1944, reached their record peak of more than \$8.2 billion in March 1945.

In addition to the gradual rise in war expenditures to their high level of the past 2 years, interest on the public debt rose gradually throughout the period, and expenditures for veterans' pensions and benefits, and refunds of taxes and duties turned sharply upward in the fiscal year 1945, all three reflecting the impact of the war. Monthly figures of total expenditures for the fiscal year 1945 appear in table 4 beginning on page 456. Monthly war expenditures are shown separately in table 18, beginning on page 508. For the fiscal year 1944 and earlier years comparable figures were published in the current annual reports.

## EXPENDITURES: CLASSIFIED BY MAJOR PURPOSES

FISCAL YEARS 1941 THROUGH 1945



## Classification of All Other Expenditures

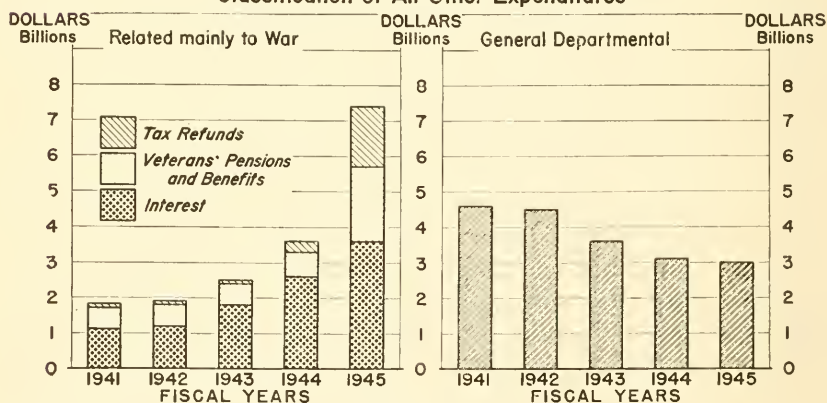


CHART 3.

<sup>1</sup> Excludes statutory debt retirements and trust account expenditures.



*War expenditures*

Expenditures for war amounted to \$90.0 billion in the fiscal year 1945. Disbursements for the war program of the Reconstruction Finance Corporation and its affiliates are excluded from these figures and are shown in a separate section on page 30.

In the five fiscal years beginning with 1941, defense and war expenditures amounted to \$281.5 billion, or 88.6 percent of total expenditures of \$317.6 billion. War Department expenditures of \$159.6 billion in the five years were 56.7 percent of the total war expenditures, and the Navy Department expended \$88.4 billion, or 31.4 percent. The United States Maritime Commission and the War Shipping Administration expenditures together totaled \$16.0 billion, constituting 5.7 percent of war expenditures.

The principal increase in the war expenditures in the fiscal year 1945 was made by the Navy Department and amounted to \$3.5 billion, bringing the total in the fiscal year 1945 to \$30.0 billion. War Department expenditures were up \$1.1 billion from the year before to \$50.3 billion. The United States Maritime Commission expenditures declined for the first time since our entrance into the war, owing mainly to a decrease in the program of vessels for completion and in dead-weight tonnages. The table that follows shows annual war expenditures by departments and agencies making the largest war disbursements.

*War expenditures, fiscal years 1941 through 1945*

[In billions of dollars. On basis of daily Treasury statements, see p. 437]

Organization	1941	1942	1943	1944	1945	Total
War Department.....	3.7	14.1	42.3	49.2	50.3	159.6
Navy Department.....	2.3	8.6	20.9	26.5	30.0	88.4
U. S. Maritime Commission.....	.1	.9	2.8	3.8	3.2	10.8
War Shipping Administration.....		.1	1.1	1.9	2.0	5.2
Agriculture Department.....	(*)	.7	2.0	2.1	1.2	6.1
Treasury Department.....	(*)	.5	1.2	1.4	1.5	4.6
Other.....	.2	1.1	1.9	1.9	1.7	6.8
Total.....	6.3	26.0	72.1	87.0	90.0	281.5

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$50 million.

“War expenditures” in the tables and charts include the entire expenditures of the following departments and agencies: War Department (except for rivers and harbors and for flood control), Navy Department, United States Maritime Commission, War Shipping Administration, Office for Emergency Management, and certain other agencies in the Executive Office of the President, and Smaller War Plants Corporation (to extent of capital stock). They include also certain expenditures of the following departments and agencies which

have, in addition to the expenditures for their regular activities, some expenditures classified under the head of war activities: Department of Labor, Department of the Interior, Department of Agriculture (principally lend-lease), Treasury Department (principally lend-lease), Department of State, Commerce Department, Department of Justice, National Housing Agency, Federal Works Agency, Federal Security Agency, certain other independent offices, and the Panama Canal. They include, for the fiscal year 1945, expenditures of \$140 million for aid to China, and \$114 million of payments for the United Nations Relief and Rehabilitation Administration. There were no expenditures for these two items in the fiscal year 1944.

Expenditures by the departments and agencies listed above include the amounts expended for materials transferred and for services rendered to other nations under the provisions of the Defense Aid Act of 1941 and the Military Establishment Appropriation Acts and Naval Appropriation Acts as amended. Primary data on lend-lease aid supplied are made public periodically in the President's reports on the lend-lease operations.

Certain disbursements having the prosecution of the war as their objective are classified as "general expenditures," and have not been classified as a part of war expenditures. Some of these were made from funds which had supplemented the regular appropriations of such civil departments and agencies as the Treasury Department, the Panama Canal, the Federal Security Agency, the Federal Works Agency, and the Tennessee Valley Authority. Another part consisted of expenditures made from general appropriations for other departments and agencies whose activities were expanded as a result of the war.

"War expenditures" as classified herein include amounts disbursed for the production of munitions, the training of personnel of the armed forces, transportation, communication, pay, subsistence, maintenance, and other purposes. Munitions production continued at a high momentum in the fiscal year 1945, but on the whole as measured in dollar volume declined 4.8 percent. Total war expenditures, on the other hand, increased 3.4 percent.

Munitions production, according to the War Production Board's index of production of aircraft, ships, tanks, guns, ammunition, clothing, and industrial equipment (but not construction of industrial facilities), reached its highest average monthly volume in November and December 1943. The fiscal year 1944 saw some munitions going on a replacement basis. This development continued throughout the fiscal year 1945 and some cutbacks occurred. Whatever leveling off and reduction in charges these effected were more than outweighed, however, by increased costs of some nonmunitions items. As our supply lines were lengthened in the Pacific and in Europe, more funds

and a greater proportion of the total were expended for transportation, supplies, subsistence, and pay of our record forces of Army and Navy personnel. In the chart below, roughly comparing the rise of our war expenditures with war production, the widening gap in the fiscal year 1945 indicates these developments.

### WAR EXPENDITURES COMPARED MONTHLY WITH MUNITIONS PRODUCTION, JULY 1940 THROUGH JUNE 1945

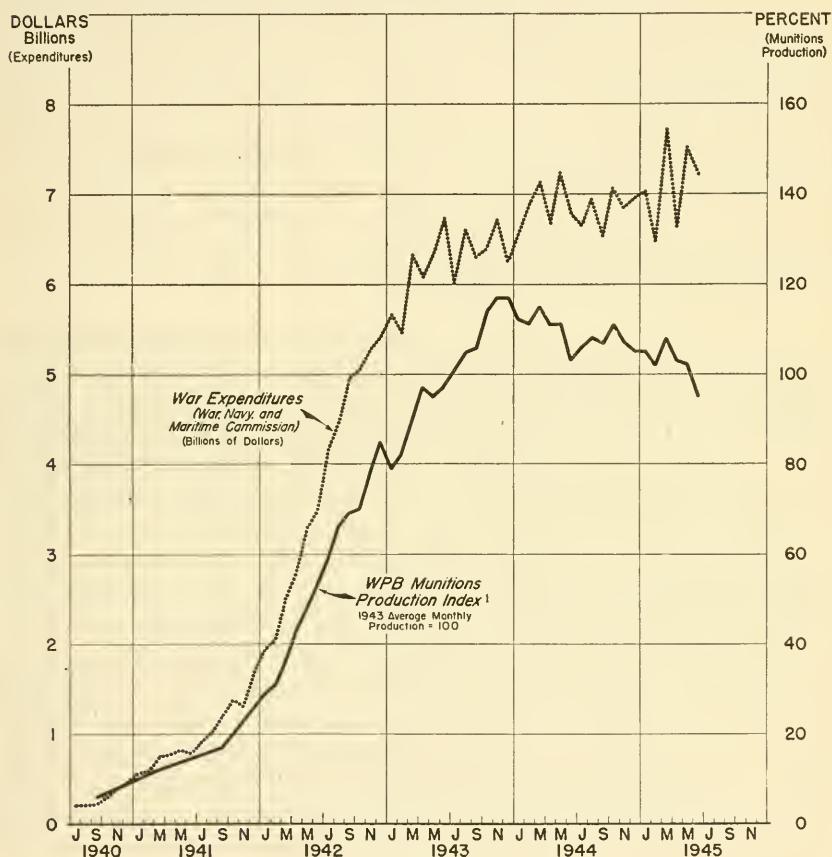


CHART 4.

NOTE.—War Production Board munitions production index includes airplanes, ships, tanks, guns, ammunition, and all industrial equipment, but not construction of industrial facilities.

<sup>1</sup> Only six-month averages are available for the latter half of 1940 and for 1941.

The relationship of war expenditures to the size of the war program as of June 30, 1945, is indicated by the amount of nearly \$417 billion of war appropriations (approved and pending) and contract authorizations for which appropriations had not yet been made. This amount exceeded the corresponding figure of a year earlier by \$41 billion. Most of the increase consisted of War Department and Navy Depart-

ment appropriations. United States Maritime Commission appropriations were repealed during the year in the amount of \$3.1 billion.

*War expenditures, appropriations, and contract authorizations, July 1, 1940, through June 30, 1945*

[In billions of dollars]

Organization	War expenditures (July 1, 1940-June 30, 1945)	War appropriations (approved and pending) (fiscal years 1941-46)	War contract authorizations (net) <sup>1</sup> (fiscal years 1941-46)	Total war appropriations and contract authorizations (net)
War Department.....	159.6	228.3	-----	228.3
Navy Department.....	88.4	132.3	7.7	140.0
U. S. Maritime Commission.....	10.8	13.4	-----	13.4
War Shipping Administration.....	5.2	8.3	-----	8.3
Other.....	17.5	26.4	.6	27.0
Subtotal.....	281.5	408.7	8.3	417.0
Liquidation of 1940 and prior contract authorizations.....	-----	-.5	-----	-.5
Total.....	281.5	408.2	8.3	416.5

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> For which appropriations have not yet been made.

Expenditures from general and special accounts do not include disbursements by the Reconstruction Finance Corporation and its affiliates. Their war charges from July 1, 1940, through June 30, 1945, amounted to \$20.7 billion while credits, consisting of rents, repayments, and sales, etc., amounted to more than \$11.8 billion, or net expenditures of \$8.9 billion. Credits amounted to 56.9 percent of charges. The Corporation reported commitments of \$34.7 billion between July 1, 1940, and June 30, 1945, of which \$6.9 billion were withdrawn or canceled. In the fiscal year 1945, charges totaled \$7.2 billion and credits rose to \$5.9 billion, or 82.3 percent.

Among the affiliates, in the fiscal year 1945, charges of \$3.3 billion of the Defense Supplies Corporation were higher than in any prior year, as were credits. Credits amounted to 96.9 percent of charges. For the 5 years, credits were 75.2 percent of the charges of almost \$7.0 billion. The Defense Plant Corporation had its biggest year in 1943 and since then its operations have rapidly declined. In the 5 years its charges totaled \$8.0 billion and its credits \$2.9 billion, or 36.2 percent.

Credits and charges by the Reconstruction Finance Corporation and its affiliates for the war program are summarized in the table following.

*War charges and credits of the Reconstruction Finance Corporation and its affiliates*

[In millions of dollars. On basis of reports received by the Treasury]

Agency	1941, 1942, and 1943		1944		1945		Total	
	Charges	Credits <sup>1</sup>	Charges	Credits <sup>1</sup>	Charges	Credits <sup>1</sup>	Charges	Credits <sup>1</sup>
Reconstruction Finance Corporation and its affiliates:								
Defense Plant Corporation <sup>2</sup> .....	4,789	1,512	2,305	688	921	701	8,015	2,901
Defense Supplies Corporation <sup>2</sup> .....	1,321	565	2,324	1,459	3,310	3,207	6,955	5,231
Metals Reserve Company <sup>2</sup> .....	1,140	579	617	570	603	483	2,359	1,632
Rubber Development Corporation.....			158	82	111	120	269	202
Rubber Reserve Company <sup>2</sup> .....	503	303	539	520	1,201	512	2,243	1,335
U. S. Commercial Company.....	71	11	348	206	832	552	1,252	769
The RFC Mortgage Company.....	34	3	48	10	31	66	113	79
Reconstruction Finance Corporation (direct):								
Loan to Great Britain and Northern Ireland.....	390	39		44		35	390	118
Loan-Defense Homes Corporation <sup>2</sup> .....	44	(*)	19	2	2	6	65	8
Loan-Petroleum Reserves Corporation.....			(*)				(*)	
Stock—War Damage Corporation.....	1						1	
Automobile financing loans.....								
All other loans.....	570	265	218	151	159	222	947	638
Total.....	8,863	3,278	6,577	3,731	7,171	5,905	22,611	12,913
Less inter-company eliminations.....	(4)	(4)	(4)	(4)	(4)	(4)	41,874	41,105
Total.....	\$8,863	\$3,278	6,577	3,731	7,171	5,905	20,737	11,809

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$500,000.

<sup>1</sup> Repayments, sales, rentals, etc. Amounts in the period from July 1, 1940, through June 30, 1944, exclude profits on sales; beginning on Feb. 1, 1945, total sales proceeds are included, and as of Feb. 1, 1945, prior profits on sales were added to the amounts for the fiscal year 1945.<sup>2</sup> Public Law 109, approved June 30, 1945, dissolved these corporations and transferred their functions, etc., to the Reconstruction Finance Corporation, effective July 1, 1945.<sup>3</sup> Transferred to the National Housing Agency on Sept. 1, 1942.<sup>4</sup> Distribution by fiscal years not available. Total includes accumulated figures for these years.<sup>5</sup> For details by fiscal years see the Secretary's annual report for 1943, p. 28, and for 1944, p. 32.*War-related expenditures*

As the war approached its climax, some of its results were reflected in rising expenditures for three items, interest on the public debt, veterans' pensions and benefits, and tax refunds. A sharp rise in the fiscal year 1945 brought their total to \$7.4 billion. (See following table and see Chart 3.)

*Expenditures for activities mainly related to war, fiscal years 1941 through 1945*

[Dollars in billions. On basis of daily Treasury statements, see p. 437]

Year	Interest on the public debt		Veterans' pensions and benefits		Refunds of taxes and duties				Total	
					Excess profits tax (bonds)		Other			
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
1941.....	\$1.1	63.0	\$0.6	31.9	-----	-----	\$0.1	5.1	\$1.8	100.0
1942.....	1.3	66.0	.6	29.1	-----	-----	.1	4.9	1.9	100.0
1943.....	1.8	72.6	.6	24.2	-----	-----	.1	3.2	2.5	100.0
1944.....	2.6	72.4	.7	20.2	\$0.1	3.7	.1	3.7	3.6	100.0
1945.....	3.6	48.9	2.1	27.9	.9	12.1	.8	11.1	7.4	100.0
Total...	10.4	60.6	4.5	26.3	1.0	6.0	1.2	7.1	17.2	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.



In the past five fiscal years, it may be noted, interest on the public debt totaled \$10.4 billion, or 60.6 percent of the three items, and veterans' pensions and benefits, \$4.5 billion, or 26.3 percent. Expenditures for these two were accelerated from previous levels in the First World War. The Second World War greatly increased their volume until in the fiscal year 1945 at \$3.6 billion and \$2.1 billion, respectively, they were about three and one-fourth times as large as in the fiscal year 1941. The large part of the veterans' pensions and benefits in 1945 consisted of a transfer to the national service life insurance fund. This amounted to \$1.1 billion and compared with \$101 million in 1944.

Refunds of taxes and duties in 1945 amounted to over \$1.7 billion compared with \$90 million in 1941. Of the 1945 refunds, \$894 million consisted of excess profits tax refund bonds redeemable January 1, 1946; \$807 million, other internal revenue refunds; \$14 million, refunds of customs duties; and all other, \$0.8 million, including refunds of processing taxes on farm products. A large part of the \$807 million of internal revenue refunds were for overpayments resulting from the provision of the tax law effective in 1944 which required the discharge of tax liabilities by withholding from salaries and wages. The requirement of the 1944 tax law that individuals make estimates of income taxes also resulted in a minor portion of refunds for overestimated taxes.

### *Other expenditures*

Expenditures other than those for war and war-related activities in the fiscal year 1945 continued their decline. As a whole they were about 37 percent less in the fiscal year 1945 than in the fiscal year 1941. At slightly less than \$3.0 billion in 1945 they were reduced \$115 million from the year before. (See following table.)

### *Other expenditures, fiscal years 1941 through 1945*

[Dollars in billions. On basis of daily Treasury statements, see p. 437]

Object	1941		1942		1943		1944		1945		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Social security program <sup>1</sup> .....	\$0.6	12.4	\$0.7	14.4	\$0.7	20.4	\$0.8	25.8	\$0.8	27.1	\$3.6	18.9
Aid to agriculture.....	.9	19.9	1.2	26.8	1.2	32.5	.9	29.3	.8	25.5	5.0	26.4
Public works.....	.7	15.7	.7	14.9	.5	15.2	.4	14.0	.3	10.8	2.7	14.3
Relief and work relief.....	1.6	34.6	1.1	24.8	.3	8.8	(*)	.5	(*)	(*)	3.1	16.4
Other <sup>2</sup> .....	.8	17.4	.9	19.2	.8	23.1	.9	30.4	1.1	36.6	4.5	24.0
Total.....	4.7	100.0	4.6	100.0	3.6	100.0	3.1	100.0	3.0	100.0	18.9	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$50 million, or 0.05 percent.

<sup>1</sup> Excluding refunds of (1) social security taxes; and (2) taxes upon carriers and their employees (relating to old-age insurance benefits).

<sup>2</sup> Includes public debt retirements.

Of the groups having decreased outlays in 1945, expenditures for public works declined \$111 million. Work relief expenditures declined \$17 million, practically 100 percent, as the liquidation of the Work Projects Administration neared completion. Aid to agriculture declined \$147 million, continuing the trend begun in 1943.

Among the increases, social security expenditures, including railroad retirement and railroad unemployment insurance expenditures, rose slightly and totaled \$807 million, exclusive of tax refunds. The remaining expenditures amounted to \$1,092 million, rising \$151 million from 1944. Of this increase, \$19 million were accounted for by transfers to Government employees' retirement funds. Expenditures of independent offices and commissions increased \$18 million, of the Treasury Department nearly \$15 million, and of the State Department over \$14 million. The remainder was widely distributed.

#### DEFICIT IN GENERAL AND SPECIAL ACCOUNTS

In the fiscal year 1945, expenditures exceeded receipts in general and special accounts by \$53,948 million. This sum represented the net deficit exclusive of statutory debt retirements. The derivation of the deficit in 1944 and 1945 follows.

##### *Deficit in general and special accounts, fiscal years 1944 and 1945*

[In millions of dollars. On basis of daily Treasury statements, see p. 437]

	1944	1945
Receipts, total.....	45, 408	47, 740
Deduct net appropriation to Federal old-age and survivors insurance trust fund.....	1, 260	1, 283
Net receipts.....	44, 149	46, 457
Expenditures excluding statutory debt retirements.....	93, 744	100, 405
Net budgetary deficit.....	49, 595	53, 948

NOTE.—Figures are rounded and will not necessarily add to totals.

#### RECEIPTS AND EXPENDITURES IN TRUST ACCOUNTS AND CHECKING ACCOUNTS OF GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

In addition to receipts and expenditures under general and special accounts, discussed above, receipts and expenditures under certain accounts which are maintained with the Treasurer of the United States are reported in the Daily Statement of the United States Treasury under the title of "Trust accounts, etc." Transactions involving the receipts and expenditures under these accounts are not included as such in the Federal Budget. However, certain receipts and expenditures included in the Federal Budget are reflected in the accounts carried under the classification of "Trust accounts, etc." For example, appropriations made from the General Fund to various trust accounts, such as the Government's payment to employees' retirement funds, the railroad retirement account, the national service life insurance fund, etc., appear as expenditures under general and special accounts and as receipts under trust accounts, etc.

Certain Government corporations and credit agencies maintain only checking accounts with the Treasurer of the United States, and the transactions of these agencies reported under the classification "Trust accounts, etc." in the daily Treasury statement and in certain tables in this report represent their net cash transactions handled through their accounts with the Treasurer of the United States. Such figures, therefore, do not furnish sufficient data for an analysis of the financial transactions of these agencies. Arrangements have been made whereby the corporations and agencies submit certain data reflecting their complete operations to the Treasury for its information and records. These data have been combined and appear in the table beginning on page 662 showing sources and application of funds for the fiscal year 1945. The figures are not on the basis of the Daily Statement of the United States Treasury and, therefore, do not agree exactly with the figures shown in other tables in this report.

A summary of receipts and expenditures in trust accounts, etc., for the fiscal years 1932 through 1945 will be found in table 1 on page 442, and details by months for the fiscal year 1945 in tables 3 and 4 beginning on pages 452 and 472.

### FINANCING THE NET BUDGETARY DEFICIT AND OTHER REQUIREMENTS

The Treasury's financing program during the fiscal year had to provide for the net budgetary deficit shown on page 33 and an increase in the General Fund balance, which were offset, in part, by net receipts of Government corporations and credit agencies. The following table summarizes the total cash requirements, including the General Fund balance increase, and the net amount of new money raised during the year.

	<i>Amount (in millions of dollars)</i>
Requirements:	
Net budgetary deficit, excluding statutory debt retirements.....	53,948
Excess of expenditures in—	
(a) Checking accounts of Government corporations and credit agencies:	
General.....	• 374
Sales and redemptions of obligations in the market (net).....	1,553
(b) Trust and other accounts.....	• 1,977
Subtotal.....	• 798
Increase in General Fund balance.....	4,529
	<u>3,731</u>
Total requirement:.....	<u>57,679</u>
Means of financing:	
Public debt receipts (net) from—	
(a) Public issues:	
Treasury bills.....	2,302
Treasury certificates of indebtedness.....	5,356
Treasury notes.....	6,097
Treasury notes, tax series and savings series.....	560
Treasury bonds.....	27,142
United States savings bonds.....	10,979
Other issues.....	718
	<u>53,154</u>
(b) Special issues to trust funds, etc.....	4,525
Total net borrowing.....	<u>57,679</u>

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

• Excess of receipts (deduct).

The distribution of the \$57,679 million net borrowing during the fiscal year by months and a comparison with the amounts raised in corresponding months of the previous fiscal year appear in the following table.

*Net amounts borrowed, fiscal years 1944 and 1945*

[In millions of dollars. On basis of daily Treasury statements, see p. 437]

Month	1944	1945	Month	1944	1945
July.....	4,828	7,570	February.....	12,448	1,300
August.....	2,534	1,229	March.....	1,608	242
September.....	14,291	-307	April.....	252	1,120
October.....	6,697	748	May.....	1,399	3,763
November.....	1,112	4,761	June.....	14,637	19,850
December.....	-281	15,626			
January.....	4,781	1,778	Total.....	64,307	57,679

NOTE.—Figures are rounded to nearest million and will not necessarily add to totals.

## THE PUBLIC DEBT

### *Summary of financing operations*

The Treasury borrowed a net amount of \$57,679 million in the fiscal year 1945. This was \$6,628 million less than in the preceding year. In general, the pattern and mechanics of the financing operations in 1945 were similar to those employed in 1944; and as is shown later in this report the results from the point of view of maximizing sales of securities to investors other than commercial banks were approximately the same as in 1944.

Gross receipts from the sale of public debt obligations during the fiscal year, gross expenditures for the redemption and retirement of public debt items, and the net amount of new money obtained are shown by types of securities in the following table.

*Public debt receipts and expenditures, fiscal year 1945*

[In billions of dollars. On basis of daily Treasury statements, see p. 437]

Issues	Receipts	Expenditures	Net receipts
Public issues:			
Cash:			
Treasury bills.....	66.1	63.8	2.3
Certificates of indebtedness.....	10.5	1.7	8.8
Certificates of indebtedness, special series.....	(*)	(*)	-----
Treasury notes.....	1 2.9	.4	2.5
Treasury notes, tax series and savings series <sup>1</sup> .....	7.0	6.5	.6
Treasury bonds.....	27.5	.2	27.3
United States savings bonds (including accrued discount).....	15.3	<sup>3</sup> 4.3	11.0
All other <sup>2</sup> .....	1.3	.5	.7
Exchanges.....	34.2	34.2	-----
Special issues to trust funds, etc.....	14.4	9.9	4.5
Total.....	179.2	121.5	57.7

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Less than \$0.05 billion.

<sup>2</sup> Includes \$0.7 billion issued in exchange for guaranteed securities.

<sup>3</sup> Treasury notes bearing the designation "Treasury notes of tax series—" are no longer issued.

<sup>4</sup> Includes redemptions of matured savings bonds beginning March 1945.

The major features of the public debt transactions during the fiscal year 1945 involving Treasury bonds, notes, and certificates of indebtedness, as well as securities fully guaranteed by the United States,



offered to or held by the public are shown in the following tables. (Operations involving Treasury bills, special short-term certificates of indebtedness sold exclusively to Federal Reserve Banks, depository bonds, adjusted service bonds, and special issues to trust funds are not included in the tables but are described later in this report.) Official circulars relating to the transactions in securities issued during the year are included in the exhibits beginning on page 257.

*Public offerings of Treasury bonds, notes, and certificates of indebtedness,<sup>1</sup> fiscal year 1945*

(In millions of dollars)

Date issued	Issue	Cash			Ex-changes	Total issues
		War loans	Other	Total		
June 26, 1944 <sup>2</sup>	$\frac{7}{8}\%$ Certificates of indebtedness, Series C-1945, due June 1, 1945.	<sup>2</sup> 1,213		1,213		1,213
Do. <sup>2</sup>	$1\frac{1}{4}\%$ Treasury notes, Series B-1947, due Mar. 15, 1947.	<sup>2</sup> 662		662		662
Do. <sup>2</sup>	$2\frac{1}{2}\%$ Treasury bonds of June 15, 1952-54.	<sup>2</sup> 1,525	<sup>3</sup> 94	1,619		1,619
Do. <sup>2</sup>	$2\frac{1}{2}\%$ Treasury bonds of Mar. 15, 1965-70 (additional issue).	<sup>2</sup> 399	<sup>3</sup> 9	408		408
Aug. 1, 1944	$\frac{7}{8}\%$ Certificates of indebtedness, Series E-1945, due Aug. 1, 1945.				2,511	2,511
Sept. 1, 1944	$\frac{7}{8}\%$ Certificates of indebtedness, Series F-1945, due Sept. 1, 1945.				3,694	3,694
Sept. 15, 1944	$1\%$ Treasury notes, Series A-1946, due Mar. 15, 1946 (additional issue).				788	788
Oct. 1, 1944	$\frac{7}{8}\%$ Certificates of indebtedness, Series G-1945, due Oct. 1, 1945.				3,492	3,492
Dec. 1, 1944	$\frac{7}{8}\%$ Certificates of indebtedness, Series H-1945, due Dec. 1, 1945.	4,395		4,395		4,395
Do.	$1\frac{1}{4}\%$ Treasury notes, Series C-1947, due Sept. 15, 1947.	1,550		1,550		1,550
Do.	$2\%$ Treasury bonds of Dec. 15, 1952-54.	6,939	<sup>3</sup> 983	7,922		7,922
Do.	$2\frac{1}{2}\%$ Treasury bonds of Mar. 15, 1966-71.	2,711	<sup>3</sup> 737	3,448		3,448
Do.	$0.90\%$ Treasury notes, Series C-1946, due Jan. 1, 1946.				3,416	3,416
Dec. 15, 1944	$1\frac{1}{4}\%$ Treasury notes, Series C-1947, due Sept. 15, 1947 (additional issue).				137	137
Do.	$2\%$ Treasury bonds of Dec. 15, 1952-54 (additional issue).				740	740
Do.	$2\frac{1}{2}\%$ Treasury bonds of Mar. 15, 1966-71 (additional issue).				33	33
Feb. 1, 1945	$\frac{7}{8}\%$ Certificates of indebtedness, Series A-1946, due Feb. 1, 1946.				5,043	5,043
Mar. 1, 1945	$\frac{7}{8}\%$ Certificates of indebtedness, Series B-1946, due Mar. 1, 1946.				4,147	4,147
Apr. 1, 1945	$\frac{7}{8}\%$ Certificates of indebtedness, Series C-1946, due Apr. 1, 1946.				4,811	4,811
May 1, 1945	$\frac{7}{8}\%$ Certificates of indebtedness, Series D-1946, due May 1, 1946.				1,579	1,579
June 1, 1945	$\frac{7}{8}\%$ Certificates of indebtedness, Series E-1946, due June 1, 1946.	4,450	<sup>4</sup> 14	4,464		4,464
Do.	$1\frac{1}{2}\%$ Treasury bonds due Dec. 15, 1950.	1,449	<sup>3</sup> 916	2,365		2,365
Do.	$2\frac{1}{2}\%$ Treasury bonds of June 15, 1959-62.	4,308	<sup>3</sup> 200	4,508		4,508
Do.	$2\frac{1}{2}\%$ Treasury bonds of June 15, 1967-72.	6,329	<sup>3</sup> 870	7,199		7,199
Do.	$0.90\%$ Treasury notes, Series D-1946, due July 1, 1946.				4,910	4,910
	Total marketable issues	35,930	3,815	39,753	35,301	75,053
Various.	Savings bonds, Series E	7,825	3,729	11,553		11,553
Do.	Savings bonds, Series F and G	1,980	1,357	3,337		3,337
Do.	Savings notes, Series C	5,671	1,345	7,016		7,016
	Total	51,406	10,254	61,659	35,391	96,959

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Excludes depository bonds and adjusted service bonds.

<sup>2</sup> These issues were sold during the Fifth War Loan and are dated June 26, 1944. Amounts include only sales in the fiscal year 1945.

<sup>3</sup> Includes subscriptions by commercial banks and Treasury investment accounts not credited to the war loans, as well as other subscriptions reported too late to be credited to the official drive figures.

<sup>4</sup> Includes only Seventh War Loan sales accounted for in the daily Treasury statement through June 30, 1945.

*Disposition of maturing or redeemable public issues of Treasury bonds, notes, and certificates of indebtedness and securities guaranteed by the United States,<sup>1</sup> fiscal year 1945*

(Dollars in millions)

Date of refunding or redemption	Issue	Re-deemed for cash <sup>2</sup>	Exchanged for new securities	Total	Percent ex-changed
Aug. 1, 1944-----	7½% Certificates of indebtedness, Series D-1944, due Aug. 1, 1944.	\$34	\$2,511	\$2,545	99
Sept. 1, 1944-----	7½% Certificates of indebtedness, Series E-1944, due Sept. 1, 1944.	428	3,694	4,122	90
Sept. 15, 1944-----	¾% Treasury notes, national defense, Series D-1944, due Sept. 15, 1944.	33	602	635	95
Do-----	1% Treasury notes, Series C-1944, due Sept. 15, 1944.	98	185	283	65
Oct. 1, 1944-----	7½% Certificates of indebtedness, Series F-1944, due Oct. 1, 1944.	27	3,492	3,519	99
Dec. 1, 1944-----	7½% Certificates of indebtedness, Series G-1944, due Dec. 1, 1944.	124	3,416	3,540	96
Dec. 15, 1944-----	4% Treasury bonds of Dec. 15, 1944-54-----	126	911	1,037	88
Feb. 1, 1945-----	7½% Certificates of indebtedness, Series A-1945, due Feb. 1, 1945.	400	4,649	5,048	92
Do-----	1½% Commodity Credit Corporation notes, Series G-1945, due Feb. 15, 1945.	17	395	412	96
Mar. 1, 1945-----	0.90% Treasury notes, Series D-1945, due Mar. 1, 1945.	18	2,109	2,127	99
Do-----	¾% Treasury notes, Series A-1945, due Mar. 15, 1945.	225	493	718	69
Do-----	1½% Treasury notes, Series C-1945, due Mar. 15, 1945.	60	1,546	1,606	96
Apr. 1, 1945-----	7½% Certificates of indebtedness, Series B-1945, due Apr. 1, 1945.	66	4,811	4,877	99
May 1, 1945-----	7½% Certificates of indebtedness, Series D-1945, due May 1, 1945.	35	1,579	1,615	98
June 1, 1945-----	7½% Certificates of indebtedness, Series C-1945, due June 1, 1945.	583	4,187	4,770	88
Do-----	1½% Home Owners' Loan Corporation bonds, Series M, of June 1, 1945-47.	32	723	755	96
Total marketable issues-----		2,306	35,301	37,608	94
Various-----	Savings bonds, Series A-E-----	3,989	-----	3,989	-----
Do-----	Savings bonds, Series F and G-----	310	-----	310	-----
Do-----	Tax and savings notes, Series A, B, and C-----	<sup>3</sup> 6,456	-----	<sup>3</sup> 6,456	-----
Total all issues-----		13,061	35,301	48,362	-----

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Excludes depositary bonds and adjusted service bonds.

<sup>2</sup> Includes amounts transferred to matured debt.

<sup>3</sup> Includes tax and savings notes surrendered in payment of taxes in the amount of \$5,906 million.

### War loans

There were three war loan drives during the fiscal year 1945; these were the Fifth War Loan which included sales of savings bonds and notes processed by the Treasury or the Federal Reserve Banks from June 1 through July 31, 1944; the Sixth War Loan from November 1, 1944, through January 2, 1945; and the Seventh War Loan from April 9 through July 9, 1945. The periods designated for sales of marketable securities in each of the drives are shown in the table on page 38.

It will be noted that the Fifth and Seventh War Loan drives did not coincide with the formal fiscal years. The Fifth War Loan included nonmarketable securities processed by the Treasury or the Federal Reserve Banks beginning on June 1, 1944, and marketable securities purchased beginning on June 12, 1944. The Seventh War Loan included securities processed through July 9, 1945. In this summary and in all tables referring to the Fifth and Seventh War



Loans, the subscriptions credited to the loans in June 1944 and July 1945, respectively, are included; but they are excluded from all general tables referring to public debt operations for the appropriate fiscal year.

Continuing the policy which commenced with the Third War Loan, subscriptions in the Fifth, Sixth, and Seventh War Loans were confined to nonbank investors.

*Securities offered.*—Eight securities were offered in each drive, four marketable and four nonmarketable, as shown in the following table.

*Securities offered in the Fifth, Sixth, and Seventh War Loans, and periods during which they were offered*

	Fifth War Loan	Sixth War Loan	Seventh War Loan
Nonmarketable issues:			
Sales period.....	June 1 through July 31, 1944.	November 1, 1944, through December 31, 1944. <sup>1</sup>	April 9 through July 7, 1945 <sup>1</sup> .
Securities:			
Savings bonds.....	Series E, F, and G.....	Series E, F, and G.....	Series E, F, and G.
Savings notes.....	Series C.....	Series C.....	Series C.
Marketable issues:			
Sales period.....	June 12 through July 8, 1944.	November 20 through December 16, 1944.	May 14 through June 30, 1945, for individuals, partnerships, and personal trust accounts; June 18 through June 30, 1945, for all others.
Issue date.....	June 26, 1944 <sup>2</sup> .....	December 1, 1944.....	June 1, 1945.
Securities:			
Certificates of indebtedness.....	¾% of June 1, 1945.....	¾% of December 1, 1945.	¾% of June 1, 1946.
Treasury notes and bonds:			
Notes.....	1¼% of March 15, 1947..	1¼% of September 15, 1947.	-----
Bonds.....	-----	-----	1½% of December 15, 1950.
Do.....	2% of June 15, 1952-54..	2% of December 15, 1952-54.	-----
Do.....	-----	-----	2¼% of June 15, 1959-62.
Do.....	2½% of March 15, 1965-70	2½% of March 15, 1966-71	2½% of June 15, 1967-72.

<sup>1</sup> The final date for processing subscriptions was extended in the Sixth War Loan through Jan. 2, 1945. and in the Seventh War Loan through July 9, 1945.

<sup>2</sup> Exclusive of the 2½% bonds dated Feb. 1, 1944, to which were attached a fractional coupon for the first interest period June 26 to Sept. 15, 1944.

The marketable securities were similar in the three drives, except that in the seventh drive the 1¼ percent Treasury notes and 2 percent Treasury bonds of the two previous loans were replaced by 1½ percent Treasury bonds and 2¼ percent Treasury bonds, respectively, each of the latter having a longer maturity. All marketable securities were new issues except the 2½ percent Treasury bonds of March 15, 1965-70, offered in the Fifth War Loan, which constituted a reopening of a Fourth War Loan issue. The 1½ percent Treasury bonds of the Seventh War Loan were the only marketable "drive" security for which subscriptions were limited to individuals. ("Individuals," as used in reports and discussions of the war loan drives, include partnerships and personal trust accounts.)

In pursuance of the policy adopted in May 1942, the 2½ percent Treasury bonds offered in the three war loans of the fiscal year 1945 were ineligible for commercial bank purchase not only for the drives,

but for protracted periods thereafter (except for subscriptions for the limited investment of time deposits concurrent with the drives, discussed later in this report). The restrictions were made more stringent in the Seventh War Loan than they had been before. Previously, 2½ percent issues had been made available, without limitation, to commercial banks after the lapse of 10 years from issue date. The 2½ percent Treasury bonds of 1967-72, offered in the Seventh War Loan, were made ineligible for commercial bank purchase until the time remaining to run to maturity should be 10 years or less. Thus, the restriction on the Seventh War Loan 2½ percent bonds is 7 years and 2 weeks longer than the restriction on the Sixth War Loan issue.

The 2¼ percent Treasury bonds offered in the Seventh War Loan were subject to similarly increased restrictions as compared with the previous issue of restricted 2¼ percent bonds. They are not available for commercial bank purchase until the time to *maturity* shall be 10 years or less, i. e., until June 15, 1952. The previous issue of 2¼ percent bonds, those of 1956-59 offered in the Fourth War Loan, was restricted until the time to the *earliest call date* should be less than 10 years, i. e., until September 15, 1946.

The four nonmarketable securities offered remained the same throughout these three war loans. All such securities were dated the first of the month in which they were purchased. As noted previously, purchases in the Seventh War Loan of savings bonds and notes processed by the Federal Reserve Banks or the Treasury between April 9 and July 9, 1945, were credited to the drive. This is a month longer than the accounting period in the previous drives.

*Goals and results.*—Goals set and actual sales of securities credited toward these goals in the Fifth, Sixth, and Seventh Loans are shown in the following table.

*Sales of securities by classes of investors during the Fifth, Sixth, and Seventh War Loans, compared with established goals*

[Dollars in millions. On basis of reports of sales]

Class of investor	Fifth War Loan			Sixth War Loan			Seventh War Loan		
	Goal	Sales	Per- cent of goal at- tained	Goal	Sales	Per- cent of goal at- tained	Goal	Sales	Per- cent of goal at- tained
Individuals, partnerships, and personal trust ac- counts:									
Series E savings bonds.....	\$3,000	\$3,036	101	\$2,500	\$2,868	115	\$4,000	\$3,976	99
Other securities.....	3,000	3,315	110	2,500	3,014	121	3,000	4,705	157
Total.....	6,000	6,351	106	5,000	5,882	118	7,000	8,681	124
Corporations and other in- vestors.....	10,000	14,288	143	9,000	15,739	175	7,000	17,632	252
Total, all investors.....	16,000	20,639	129	14,000	21,621	154	14,000	26,313	188

NOTE.—Figures are rounded and will not necessarily add to totals.

Sales of securities to individuals, corporations, and others during the three drives are shown in the following table.

*Sales of securities <sup>1</sup> during the Fifth, Sixth, and Seventh War Loans, by classes of investors and by issues*

[Dollars in millions. On basis of reports of sales]

Class of investor	Total	Percent of total sales	Savings bonds (issue price)		Savings notes Series C	7/8% certificates of indebtedness <sup>1</sup>	1 1/4% Treasury notes <sup>1</sup>	2% Treasury bonds <sup>1</sup>	2 1/2% Treasury bonds <sup>1</sup>
			Series E	Series F and G					
Fifth War Loan									
Individuals, partnerships, and personal trust accounts.	\$6,351	30.8	\$3,036	\$574	\$181	\$468	\$353	\$1,322	\$417
Corporations and other investors:									
Corporations and associations <sup>2</sup>	8,201	39.7	-----	207	2,271	3,318	913	1,242	249
Insurance companies	2,769	13.4	-----	7	2	170	309	924	1,357
Savings banks	1,525	7.4	-----	2	(*)	84	121	1,250	68
State and local governments <sup>3</sup>	1,260	6.1	-----	28	120	582	119	249	163
Dealers and brokers	533	2.6	-----	-----	1	148	133	242	9
Total for corporations and other investors	14,288	69.2	-----	244	2,394	4,302	1,595	3,907	1,846
Total sales	20,639	100.0	3,036	818	2,575	4,770	1,948	5,229	2,263
Percent of total sales	100.0	-----	14.7	4.0	12.5	23.1	9.4	25.3	11.0
Sixth War Loan									
Individuals, partnerships, and personal trust accounts.	5,882	27.2	2,868	522	146	339	210	1,295	502
Corporations and other investors:									
Corporations and associations <sup>2</sup>	8,049	37.2	-----	162	2,339	3,255	811	1,350	230
Insurance companies	3,196	14.8	-----	6	1	150	98	1,339	1,603
Savings banks	2,314	10.7	-----	1	(*)	46	133	2,018	116
State and local governments <sup>3</sup>	1,299	6.0	-----	18	40	524	198	333	186
Savings and loan associations <sup>4</sup>	564	2.6	-----	10	3	27	46	423	56
Dealers and brokers	317	1.5	-----	(*)	(*)	64	54	181	18
Total for corporations and other investors	15,739	72.8	-----	197	2,283	4,066	1,340	5,644	2,209
Total sales	21,621	100.0	2,868	719	2,429	4,405	1,550	6,939	2,711
Percent of total sales	100.0	-----	13.3	3.3	11.2	20.4	7.2	32.1	12.5
Class of investor	Total	Percent of total sales	Savings bonds (issue price)		Savings notes Series C	7/8% certificates of indebtedness <sup>1</sup>	1 1/4% Treasury bonds <sup>1</sup>	2 1/4% Treasury bonds <sup>1</sup>	2 1/2% Treasury bonds <sup>1</sup>
			Series E	Series F and G					
Seventh War Loan									
Individuals, partnerships, and personal trust accounts	8,681	33.3	3,976	683	148	301	1,690	766	1,117
Corporations and other investors:									
Corporations and associations <sup>2</sup>	8,304	31.6	-----	234	2,333	3,671	-----	1,259	807
Insurance companies	4,179	15.9	-----	14	1	99	-----	774	3,291
Savings banks	2,241	8.5	-----	5	2	43	-----	1,241	950
State and local governments <sup>3</sup>	1,811	6.9	-----	32	219	645	-----	322	593
Savings and loan associations <sup>4</sup>	811	3.1	-----	23	4	25	-----	565	194
Dealers and brokers	286	1.1	-----	(*)	(*)	(*)	-----	150	136
Total for corporations and other investors	17,632	67.0	-----	308	2,559	4,483	-----	4,311	5,971
Total sales	26,313	100.0	3,976	991	2,707	4,784	1,690	5,077	7,088
Percent of total sales	100.0	-----	15.1	3.8	10.3	18.2	6.4	19.3	26.9

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Less than \$500,000.

<sup>2</sup> For specific maturities of marketable issues see table on page 37.

<sup>3</sup> Includes purchases by United States Government agencies and trust funds other than those whose investments are handled through the facilities of the Treasury Department. Such purchases did not amount to as much as \$100 million during any war loan. In the Fifth War Loan, savings and loan associations are included here also.

<sup>4</sup> Includes their agencies and their trust, sinking, and investment funds.

<sup>5</sup> Included under corporations and associations in the Fifth War Loan.

Sales of securities by investor classes and by States in the several drives are shown in detail in the tables beginning on page 567.

*Deferred payments.*—The deferred payment plan, whereby life insurance companies, savings institutions, State and local governmental units, and similar public corporations and agencies could have an extended period in which to make payment for the two longest-term marketable securities of each drive, was available in these three drives. However, the extension of time was shortened from approximately three months in the Fifth Loan to two months in the Seventh Loan. Savings banks and insurance companies were the principal users of this plan. Following is a comparison of the time extensions allowed and amounts of subscriptions in each of the three loans under this plan.

*Comparison of subscriptions under the deferred payment plan in the Fifth, Sixth, and Seventh War Loans*

	Fifth War Loan	Sixth War Loan	Seventh War Loan
Last date for subscriptions to marketable securities.....	July 8, 1944.....	Dec. 16, 1944.....	June 30, 1945.
Last date for deferred payment of subscriptions.....	Sept. 30, 1944.....	Feb. 28, 1945.....	Aug. 31, 1945.
Total subscriptions under this plan.....	\$340 million.....	\$986 million.....	\$779 million.

*Securities tailored to investor's needs.*—In selecting the securities offered during the fiscal year, the Treasury continued the policy of adapting the borrowing instruments to the requirements of various classes of investors. The purpose of this policy was not only to obtain the largest volume of sales possible, but also to insure the maximum contribution of the public debt to reconversion and to the flexibility of the economy in the post-war period. The policy was in distinct contrast to that followed in World War I when a single type of security was offered in each Liberty Loan to all classes of investors.

Chart 5 on page 42 shows the estimated maturity distribution of the Government security holdings of the major investor classes as indicated by the Treasury Survey of Ownership of Government Securities and other available data. Savings banks and insurance companies have bought principally long-term marketable bonds. Individuals have shown a preference for nonnegotiable savings bonds, redeemable on demand. Commercial banks have purchased medium and short-term securities. Nonfinancial corporations have purchased mostly short-term securities.

By offering a variety of issues, the Treasury has enabled savings banks and insurance companies, which are in a position to make long-term investments, to obtain maximum interest returns for extended periods of time; it has insured individuals, inexperienced in the ways of the investment markets, against loss of part of their principal such



as investors in Liberty bonds sustained in 1920. Even though no decline in the prices of marketable bonds was or is anticipated by the Treasury, the contractual guarantee against loss embodied in United States savings bonds has encouraged individuals who would not other-

### PERCENTAGE DISTRIBUTION OF HOLDINGS OF SELECTED CLASSES OF INVESTORS

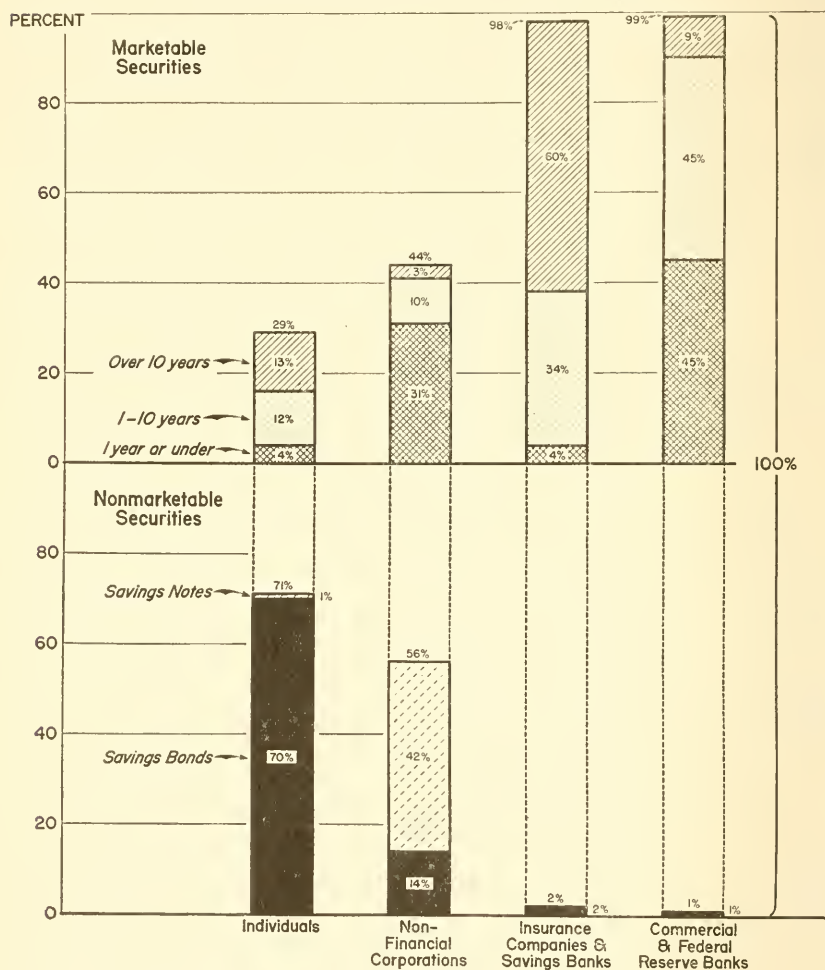


CHART 5.

wise have done so to lend a large proportion of their savings to the Government in support of the war effort. The offering of long-term securities to business firms whose funds were available only for short-term investment, and to banks who wished to maintain a high degree of liquidity would have made it difficult for the desired volume of



funds in the hands of those investors to have been placed at the disposal of the Government.

The maturity structure of the debt thus obtained has already begun to play its part as an aid to smooth reconversion, and it will continue to make a major contribution to economic and financial stability in the years to come. Corporations and unincorporated businesses are able to convert reserves for repairs, maintenance, expansion, etc., into cash as needed. Banks are able to adjust their portfolios to shifts of deposits occasioned by shifts of population and centers of business activity. Individuals have a ready reserve against prolonged unemployment which, through the sense of security it gives, should go a long way toward maintaining a stable level of consumption and preventing the development of mass unemployment.

Although every effort should be made to reduce the public debt in so far as reduction is compatible with continued economic stability at a high level of production and employment, the fact must be faced that a debt, large by pre-war standards, will remain for some time to come. It is fortunate that this debt is in such form as to contribute to economic stability rather than to economic instability. An important factor in the severity of past economic crises has been inability to liquidate assets without sustaining serious capital losses. There is now in existence a large volume of short-term securities of unquestioned safety, which can be allowed to run off without replacement at maturity. Such securities can be sold also in the market before maturity at little or no loss because short-term securities are subject to a relatively narrow range of price fluctuation. The volume of such securities will tend to diminish the importance of this aspect of business fluctuations and by increasing the flexibility of the financial system's adjustment to changing conditions will tend to promote economic stability.

The present maturity distribution of the public debt was designed to benefit, at once, the investor, the Government, and the economy as a whole. Its chief benefits to investors and to the economy have been described above. Its advantages to the Government consist in reducing the risk that any post-war liquidation of Government security holdings might affect adversely the current fiscal operations of the Government and in keeping the interest charge on the debt low—an advantage not to be dismissed lightly by the taxpayer when the debt is in excess of \$250 billion.

The concentration of the debt in short-term and demand securities has sometimes been called inflationary, on the theory that it is likely to lead to an increase of bank credit as short-term securities in the hands of nonbank investors are allowed to run off and demand

securities are presented for redemption. In any given circumstances, however, a new bank loan is just as inflationary as the purchase, by a bank, of additional Treasury bills or certificates of indebtedness; and the purchase by a bank of a long-term Treasury bond from a nonbank investor is no less so. The formal maturity of a security is no guarantee that its original purchaser will continue to hold it or that he will not use it as collateral for a loan from a bank. If it is to his advantage to liquidate his holdings, he will liquidate them, whatever their form or term; and in any situation in which commercial banks would be the principal purchasers of new short-term securities offered by the Treasury, they would also tend to be the principal purchasers of securities liquidated in the market.

It might be added that there are no grounds for believing that the Treasury will be less concerned with the effects of its fiscal operations upon the economy in its post-war refundings than in its wartime borrowing. The existence of a large debt imposes a responsibility for debt management which the Treasury will not shirk.

*War loan emphasis on nonbank borrowing.*—In borrowing the sums necessary to finance the war, the Treasury has been guided by the underlying principle that the funds should be raised in such a manner as to minimize the risk of inflation. To accomplish this objective it has been essential that a substantial proportion of the amount borrowed be obtained from investors other than commercial banks (including the Federal Reserve banks).

In pursuance of this policy the Treasury has promoted the continuous sale of savings bonds (discussed in detail later in this report), and has conducted eight loan campaigns, the last of which took place after the end of the fiscal year covered by this report. The last six of the loan campaigns were directed exclusively to nonbank investors; that is, commercial banks were excluded from direct participation. It is recognized, of course, that this policy has not prevented indirect participation by commercial banks; but it is believed that the amount of nonbank money obtained has been greater than would have been the case if the banks had not been excluded from direct participation, and that the amount of necessary and unavoidable borrowing from commercial banks has been correspondingly smaller.

Sales of Government securities to nonbank investors have the greatest impact upon funds with an inflationary potential when they are made to individuals, particularly to persons in the medium and lower income brackets. The core, therefore, of all the war loan sales programs has been the effort to increase sales to individuals. Many improvements in technique have been developed by the War Finance

Division. In each drive it has been necessary to do a more intensive sales job than in the preceding drive, in order to prevent a decline in sales to individuals.

The foundation of the program for sales to individuals has been personal solicitation. To this end, the various State War Finance Committees built up a staff of 6 million volunteer workers whose activities were brought to a peak during war loans. Included among the volunteers were plant payroll savings solicitors; bank, department store, and theater employees; school children; and hundreds of thousands of housewives, businessmen, farmers, and other citizens, who did door-to-door and person-to-person canvassing. The activities of all the various groups often resulted in multiple solicitation. This turned out to be a good thing. Few complaints were received, and surveys conducted for the Treasury showed that more persons who were solicited two or three times bought bonds than persons solicited only once or not at all.

Another fundamental of the sales technique has been the establishment of goals for the salesmen to shoot at. Accordingly, quotas were assigned by the Treasury for total sales to individuals and for sales of Series E bonds, as well as for total sales to all investors. Quotas in these three categories were assigned by the Treasury to each State, and were generally broken down by the State Chairmen into county and, in some cases, city quotas, in order to focus the emphasis in the drive on the individual sales program all the way down to the smaller units of the War Finance organization.

A third element in promoting sales to individuals has been the timing of the various segments of the war loan drives. In the earlier drives, no distinction was made between the drive for individuals and the drive for other nonbank investors. The result was that the reports, early in the drive, of large subscriptions by institutional investors took the edge off sales to individuals. Changes were subsequently made, both in the length of drives and in timing of sales to individuals and other nonbank investors within the formal period of the drive. Sales of savings bonds and savings notes were counted toward war loan goals for a period of slightly over 6 weeks in the Third War Loan; in each of the next three loans, for 2 months; and in the Seventh War Loan the period was increased to 3 months. The additional month in the Seventh War Loan was added at the beginning of the drive and was used primarily to develop plant payroll savings operations built on the acceptance of high quotas paid for by deductions spread out over the 3 months' accounting period. The prolongation of deductions meant that a higher average purchase per worker could be arranged for than had been possible in the shorter periods of previous drives.

## SALES IN EACH WAR LOAN

## By Investor Classes

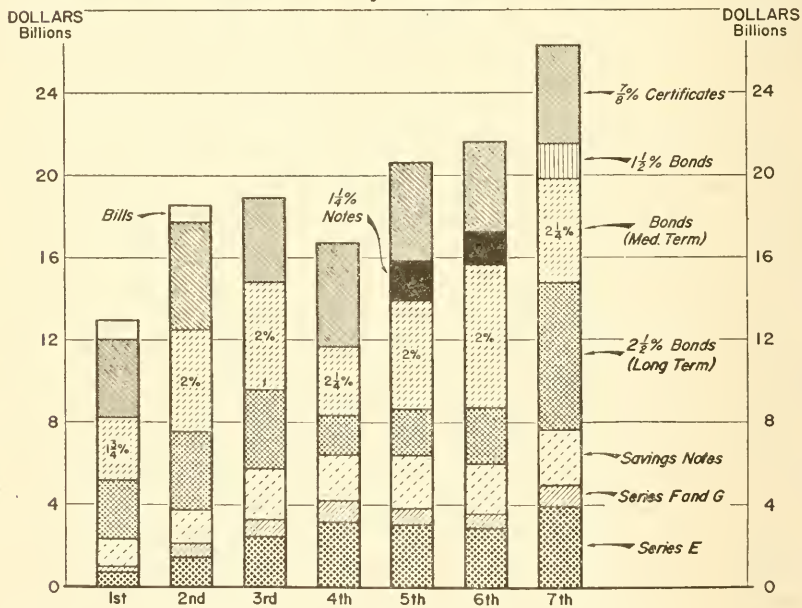
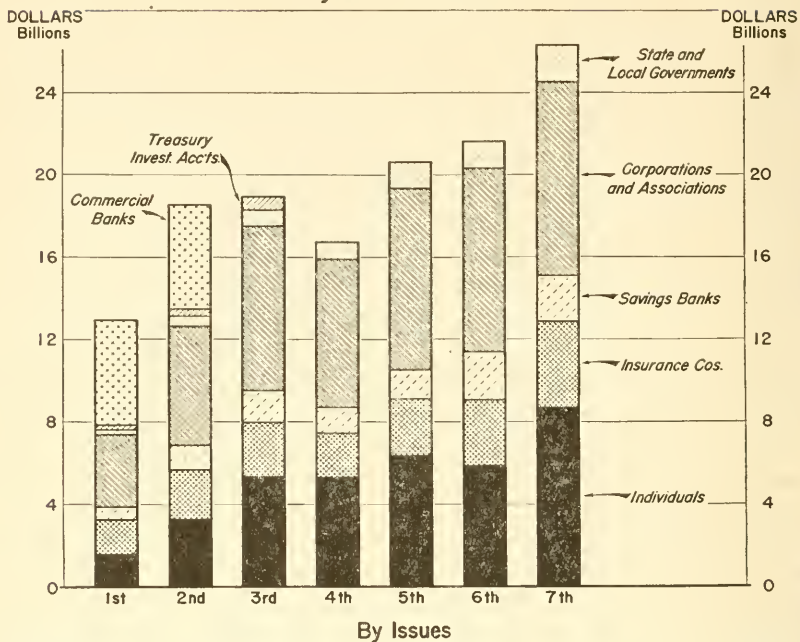


CHART 6.



Marketable issues were on sale for shorter periods than the non-marketable issues. In earlier drives, this period coincided for individuals and for other nonbank investors. In the Seventh War Loan, however, the marketable securities were on sale to individuals for 7 weeks and to other nonbank investors for 2 weeks at the end of the 7-week period, in order to keep the individual drive in the spotlight and to give more time for individual solicitation. The results of these measures became apparent in the Seventh War Loan when sales to individuals showed a substantial increase over previous loans, as Chart 6 indicates.

Efforts to minimize the indirect participation of commercial banks in the war loans took the form of requests that they refrain from making loans for speculative purchases of securities during drives, and also that they decline to accept customers' subscriptions which appeared to be entered for speculative purposes. The Federal Reserve banks were requested to scrutinize subscriptions and to reject or send back for reconsideration those subscriptions which seemed clearly speculative. Nonbank investors were requested to refrain from selling securities acquired in previous drives for the sole purpose of acquiring newly offered securities. Exception was made in the latter case of transactions designed to effect normal portfolio adjustments; and the Treasury encouraged the use of bank credit to purchase drive securities when such purchases were made in anticipation of future income and the loans were fully repaid within six months. The Treasury statement with respect to such use of bank credit appears on page 326 of this report.

The Treasury also asked that there be no dealings in drive securities until after the close of each drive. In all cases, reliance was placed on the voluntary cooperation of investors.

*Absorption and ownership of Federal securities by investor classes.*—Sales to individuals during war loans involved relatively small amounts of bank credit. The greater part of the indirect participation by commercial banks in war loans was traceable to corporations and other nonbank investors other than individuals. The following table which covers the fiscal years 1941 through 1945 shows for those years the net absorption of Government securities by the various classes of investors. The figures include sales of securities outside of drives and allow for maturities, redemptions, and market sales throughout the period. The figures are significant in that they show substantial achievement during the war period in holding down commercial bank absorption of Government securities while increasing the net amount acquired by nonbank investors.



*Net absorption of Federal securities<sup>1</sup> by investor classes, fiscal years 1941 through 1945*

Class of investor	1941	1942	1943	1944	1945
In billions of dollars					
A. Estimated absorption by:					
1. Nonbank investors:					
a. Individuals <sup>2</sup> .....	1.4	7.1	12.2	14.8	13.4
b. Other nonbank investors:					
(1) Insurance companies.....	.6	2.0	4.0	4.1	5.4
(2) Mutual savings banks.....	.3	.5	1.4	2.0	2.3
(3) Other corporations and associations <sup>3</sup> .....	— .2	3.0	10.3	10.0	4.1
(4) State and local governments.....	.1	.2	.7	1.9	2.0
(5) Federal agencies and trust funds.....	1.4	2.1	3.7	4.8	5.8
(6) Total other nonbank investors.....	2.2	7.8	20.1	22.9	19.7
c. Total nonbank investors.....	3.6	14.9	32.2	37.7	33.1
2. Banks:					
a. Commercial banks.....	3.6	6.4	26.2	16.2	15.7
b. Federal Reserve Banks.....	— .3	.5	4.6	7.7	6.9
c. Total banks.....	3.2	6.8	30.7	23.9	22.6
3. Total increase in interest-bearing debt outstanding....	6.9	21.8	63.0	61.6	55.7
Percent of total					
B. Percent absorbed by:					
1. Nonbank investors:					
a. Individuals <sup>2</sup> .....	20	33	19	24	24
b. Other nonbank investors.....	32	36	32	37	35
c. Total nonbank investors.....	52	69	51	61	59
2. Banks.....	48	31	49	39	41
3. Total increase in interest-bearing debt outstanding....	100	100	100	100	100

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Comprises interest-bearing public debt and guaranteed obligations of the United States Government.

<sup>2</sup> Includes unincorporated business, partnerships, and personal trust accounts.

<sup>3</sup> Includes dealers and brokers, and investments of foreign balances in this country.

As the figures show, nonbank investors absorbed about the same proportion of Federal securities issued in the fiscal year 1945 as they did in the preceding year. Within the nonbank investor group, individuals again absorbed 24 percent of the increase in debt during the fiscal year 1945, the same as in 1944. Other corporations and associations absorbed less than half as many Federal securities in the last fiscal year as in the fiscal year 1944. This was probably the result of two factors: (1) corporate accumulations of new funds were declining, and (2) corporations preferred to place somewhat more of their new funds in cash forms because of the imminence of reconversion.

The following table shows the estimated ownership of interest-bearing securities issued or guaranteed by the United States Government as of the end of each fiscal year, 1940 through 1945.

*Ownership of Federal securities<sup>1</sup> by investor classes as of June 30, 1940 through 1945*

Class of investor	June 30					
	1940	1941	1942	1943	1944	1945
In billions of dollars						
A. Ownership:						
1. Nonbank investors:						
a. Individuals <sup>2</sup> .....	9.7	11.1	18.2	30.3	45.1	58.5
b. Other nonbank investors:						
(1) Insurance companies.....	6.5	7.1	9.2	13.1	17.3	22.7
(2) Mutual savings banks.....	3.1	3.4	3.9	5.3	7.3	9.6
(3) Other corporations and associations <sup>3</sup> .....	2.6	2.4	5.4	15.7	25.7	29.9
(4) State and local governments.....	.3	.4	.6	1.3	3.2	5.3
(5) Federal agencies and trust funds.....	7.1	8.5	10.6	14.3	19.1	24.9
(6) Total other nonbank investors.....	19.6	21.8	29.6	49.7	72.6	92.3
c. Total nonbank investors.....	29.3	32.9	47.8	80.0	117.7	150.8
2. Banks:						
a. Commercial banks.....	16.1	19.7	26.0	52.2	68.4	84.1
b. Federal Reserve Banks.....	2.5	2.2	2.6	7.2	14.9	21.8
c. Total banks.....	18.6	21.8	28.7	59.4	83.3	105.9
3. Total interest-bearing debt outstanding.....	47.9	54.7	76.5	139.5	201.1	256.8
Percent of total						
B. Percent owned by:						
1. Nonbank investors:						
a. Individuals <sup>2</sup> .....	20	20	24	22	22	23
b. Other nonbank investors.....	41	40	39	36	36	36
c. Total nonbank investors.....	61	60	62	57	59	59
2. Banks.....	39	40	38	43	41	41
3. Total interest-bearing debt outstanding.....	100	100	100	100	100	100

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Comprises interest-bearing public debt and guaranteed obligations of the United States Government.

<sup>2</sup> Includes unincorporated business, partnerships, and personal trust accounts.

<sup>3</sup> Includes dealers and brokers, and investments of foreign balances in this country.

During the period covered in the table the amount of Federal securities outstanding increased from \$48 billion to \$257 billion. Of the \$257 billion outstanding on June 30, 1945, nonbank investor classes owned an estimated \$151 billion and commercial banks and Federal Reserve Banks accounted for \$106 billion. Commercial banks were the largest holders of Federal securities in June 1945, accounting for \$84 billion of the total amount outstanding. Individuals were second with \$58 billion. There were \$23 billion of securities held by insurance companies and \$10 billion held by mutual savings banks. Other corporations and associations held \$30 billion.

Total securities outstanding on June 30, 1945, were over five times as great as on June 30, 1940. Individuals' holdings were six times as large at the end of the fiscal year 1945 as they were June 30, 1940, while holdings by other corporations and associations were almost twelve times as large. Despite the tremendous increase in securities outstanding in the last five years, nonbank investors have continued to hold about 60 percent of the total.

*Concurrent subscriptions by commercial banks and Treasury investment accounts.*—Commercial banks (which are defined for this purpose as banks accepting demand deposits) were not permitted to subscribe to securities in the Fifth, Sixth, and Seventh War Loans. This, as previously noted, has been the case in all war loans commencing with the Third. However, following the precedent set in the Fourth Loan, subscriptions were permitted during the Fifth, Sixth, and Seventh Loans by commercial banks to certain issues being offered in the drives for the limited investment of time deposits. These subscriptions were not part of the drives and were not included in drive reporting or credited to drive quotas. Similarly, purchases for Treasury investment accounts concurrent with the war loans were not credited to drive quotas.

During the Fifth Loan, commercial banks were permitted to purchase the 2 percent bonds of June 15, 1952–54, the 2½ percent bonds of March 15, 1965–70, and the Series F and G savings bonds to the limit of 20 percent of savings deposits and time certificates of deposit of individuals and nonprofit corporations or associations (as of the most recent call statement prior to the date of subscribing for the securities), but not more than \$400,000 for any one bank. The limit, however, was cumulative, i. e., it included any previous subscriptions a bank might have entered for its own account, for any of the securities it was allowed to take in the Fourth War Loan. Purchases of Series F and G bonds remained subject, through the Fifth, Sixth, and Seventh War Loans, to the \$100,000 (issue price) limit per year for both series combined which applies to all purchasers.

During the sixth drive, commercial-bank-permitted purchases were 10 percent of the same basis as above, but not more than \$500,000 for any one bank. This limitation was not cumulative. The issues available to the banks were the 2 percent bonds of December 15, 1952–54, 2½ percent bonds of March 15, 1966–71, and Series F and G savings bonds. Seventh Loan restrictions on commercial bank purchases were the same as those in the Sixth Loan. The securities available to them were the savings bonds, Series F and G; ⅞ percent certificates of June 1, 1946; and the 1½ percent Treasury bonds due December 15, 1950.

Concurrent sales to commercial banks and Treasury investment accounts are shown in the following table.

*Sales of securities to commercial banks and Treasury investment accounts concurrent with Fifth, Sixth, and Seventh War Loans*

[In millions of dollars]

	Fifth War Loan		Sixth War Loan		Seventh War Loan	
	Commer- cial banks	Treasury investment accounts	Commer- cial banks	Treasury investment accounts	Commer- cial banks	Treasury investment accounts
Savings bonds, Series F and G.....	113	-----	56	-----	350	-----
$\frac{1}{8}\%$ Certificates of indebtedness.....	-----	-----	-----	-----	15	-----
$11\frac{1}{2}\%$ Treasury bonds.....	-----	-----	-----	-----	938	-----
$2\frac{1}{2}\%$ Treasury bonds.....	599	-----	886	100	-----	-----
$2\frac{1}{4}\%$ Treasury bonds.....	-----	-----	-----	-----	-----	200
$2\frac{1}{2}\%$ Treasury bonds.....	53	593	72	662	-----	870
Total.....	765	593	1,014	762	1,304	1,070

NOTE.—Figures are rounded and will not necessarily add to totals.

*United States savings bonds*

*Savings bond sales.*—Total sales of savings bonds during the fiscal year 1945 amounted to \$14,891 million, issue price. As of June 30, 1945, the current redemption value of United States savings bonds outstanding, including those sold before 1945, amounted to \$45,586 million. This amount was 17.6 percent of the total public-debt outstanding, as compared with 17.2 percent at the end of the fiscal year 1944. More detailed information on savings bonds from March 1935, when Series A bonds were first offered, through June 30, 1945, is contained in the tables beginning on page 579. Sales of savings bonds, Series E, F, and G, those issued throughout the war period, are shown by series in the following table. Chart 7 on page 52 shows sales, redemptions, and amounts outstanding of the various issues of savings bonds from January 1943 through June 1945.

*Sales of Series E, F, and G savings bonds, by fiscal years 1941 through 1945 and by months for the fiscal year 1945*

[In millions of dollars. On basis of daily Treasury statements, see p. 437]

Period	Series E	Series F	Series G	Total
By fiscal years:				
1941 (May and June).....	203	67	395	664
1942.....	3,526	435	2,032	5,993
1943.....	8,271	758	2,759	11,789
1944.....	11,820	802	2,876	15,498
1945.....	11,553	679	2,658	14,891
By months:				
1944—July.....	1,687	101	337	2,125
August.....	499	18	85	602
September.....	591	16	85	692
October.....	599	14	83	695
November.....	807	43	174	1,023
December.....	1,855	125	406	2,386
1945—January.....	804	42	228	1,074
February.....	653	31	164	848
March.....	712	26	150	889
April.....	684	23	130	838
May.....	1,195	63	282	1,540
June.....	1,468	178	532	2,178

NOTE.—Figures are rounded and will not necessarily add to totals.



**SALES, REDEMPTIONS AND AMOUNTS OUTSTANDING  
OF UNITED STATES SAVINGS BONDS  
MONTHLY JANUARY 1943 THROUGH JUNE 1945**

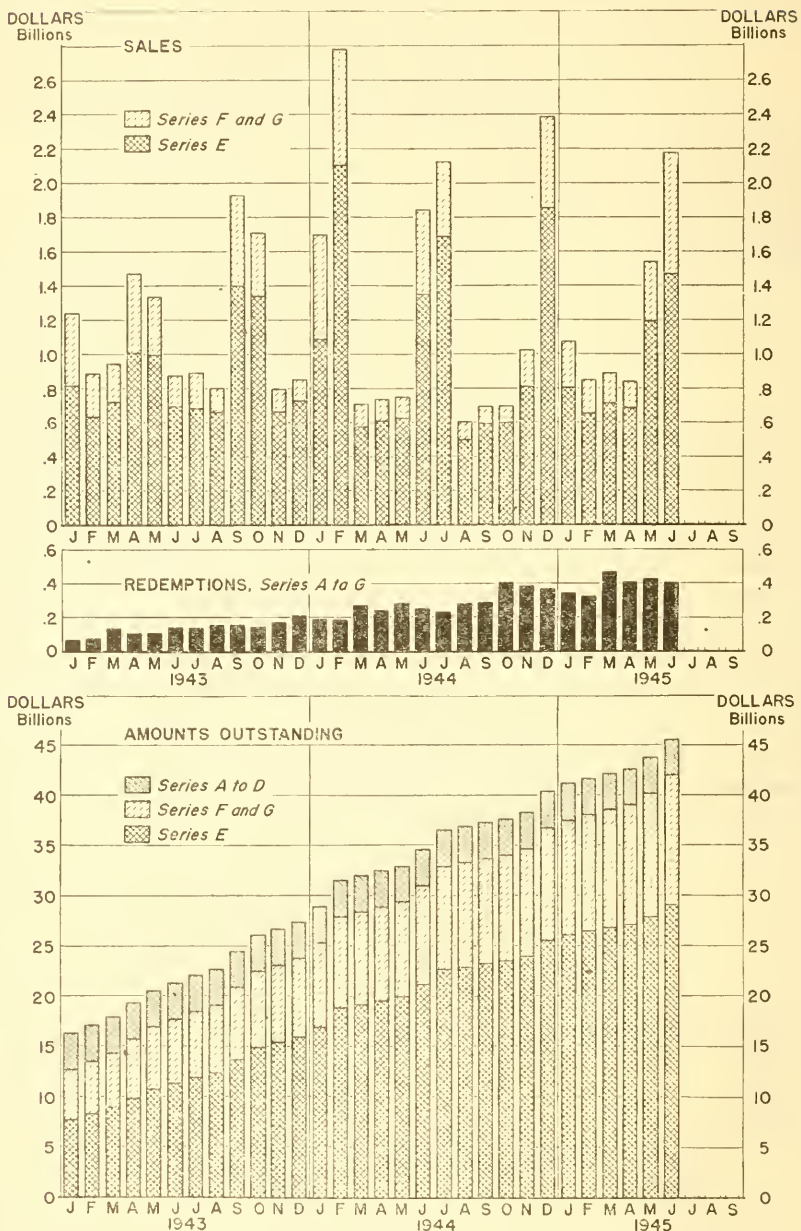


CHART 7.

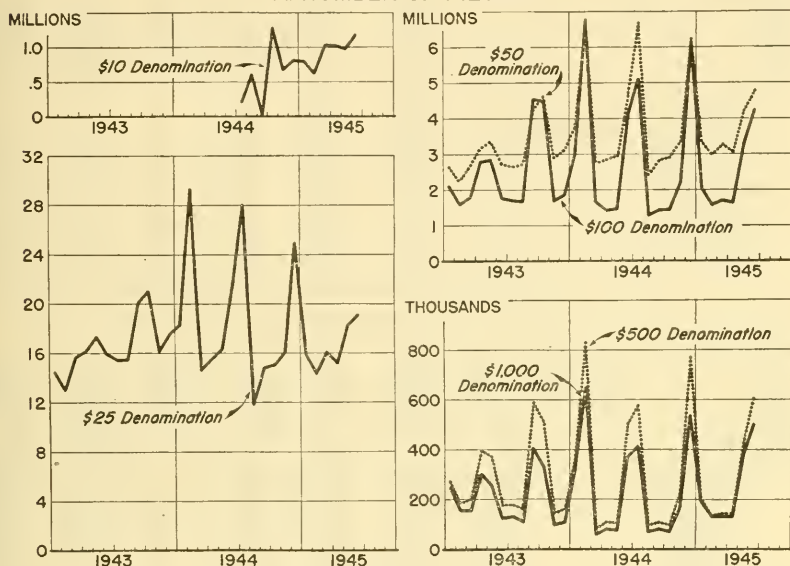
About 78 percent of the sales of savings bonds in 1945 was accounted for by sales of Series E bonds. The dollar volume of sales and the number of units sold of Series E bonds of each denomination in the



fiscal years 1941 through 1945 and by months for 1945 are shown in the table on page 54. Chart 8 gives this information by months from January 1943 through June 1945.

### SALES OF SERIES E SAVINGS BONDS BY DENOMINATIONS MONTHLY JANUARY 1943 THROUGH JUNE 1945

#### A. NUMBER OF PIECES



#### B. DOLLAR VALUE AT ISSUE PRICE

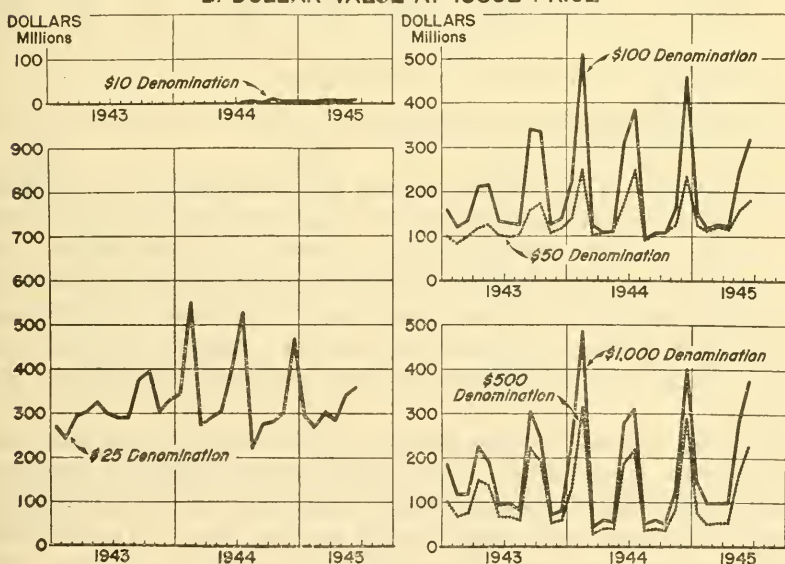


CHART 8.

*Sales of Series E war savings bonds of each denomination, fiscal years 1941 through 1945 and by months for the fiscal year 1945*

[Sales by denominations estimated on basis of total deposits as reported by Treasurer of the United States]

Period	\$10 <sup>1</sup>	\$25	\$50	\$100	\$500	\$1,000	Total
Issue price of bonds sold (in millions)							
By fiscal years:							
1941 (May and June).....	-----	14	13	41	41	93	203
1942.....	-----	616	342	813	637	1,119	3,526
1943.....	-----	2,988	1,081	1,714	1,007	1,481	8,271
1944.....	-----	4,149	1,642	2,584	1,397	2,048	11,820
1945.....	69	3,928	1,725	2,406	1,326	2,100	11,553
By months:							
1944—July.....	2	526	249	384	216	309	1,687
August.....	5	222	90	96	36	52	499
September.....	(*)	277	106	108	40	60	591
October.....	10	282	109	109	37	52	599
November.....	5	301	126	165	85	124	807
December.....	6	468	233	458	288	402	1,855
1945—January.....	6	296	125	153	77	146	804
February.....	5	269	112	118	51	98	653
March.....	8	301	122	127	54	99	712
April.....	8	285	115	123	54	99	684
May.....	7	341	158	247	160	282	1,195
June.....	9	358	179	318	227	376	1,468
Number of bonds sold (in thousands)							
By fiscal years:							
1941.....	-----	767	353	552	108	125	1,905
1942.....	-----	32,832	9,107	10,837	1,698	1,493	55,967
1943.....	-----	159,369	28,828	22,851	2,686	1,975	215,709
1944.....	-----	221,284	43,800	31,447	3,725	2,730	305,986
1945.....	9,223	209,480	45,995	32,083	3,535	2,800	303,116
By months:							
1944—July.....	204	28,080	6,636	5,121	577	412	41,030
August.....	601	11,827	2,396	1,279	95	69	16,266
September.....	9	14,777	2,833	1,434	108	79	19,241
October.....	1,280	15,032	2,915	1,451	98	70	20,845
November.....	679	16,064	3,367	2,206	225	166	22,708
December.....	809	24,944	6,224	6,102	769	536	39,383
1945—January.....	795	15,798	3,326	2,047	206	195	22,367
February.....	624	14,353	2,987	1,576	136	131	19,808
March.....	1,028	16,074	3,266	1,700	144	132	22,344
April.....	1,027	15,218	3,071	1,642	144	132	21,255
May.....	976	18,203	4,206	3,287	427	375	27,475
June.....	1,191	19,108	4,768	4,238	606	502	30,413

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$500,000.

<sup>1</sup> Sale of \$10 denomination Series E bonds was authorized June 1944. This denomination is available only to members of the military and naval forces of the United States.

*Payroll plan.*—The payroll savings plan, inaugurated in the fiscal year 1942, was continued during the fiscal year 1945. The year was not marked by any further growth in number of participants. The payroll plan, in effect, became stabilized during the year. Nevertheless, total deductions for bond purchases in the fiscal year 1945 were slightly larger than in the previous year in consequence of the campaign to secure authorizations for extra deductions during war loan drives.

Towards the end of the fiscal year there was observable some tendency for participation in the payroll savings plan to decline as a result, first, of the imminence of the end of the war in Europe, and, later, of cutbacks and reductions in working force. The following table compares the status of the payroll savings plan in June 1945

with its status in June 1944. In each of the two months compared a war loan was in progress and deductions were somewhat larger than in immediately preceding months.

*Participation in payroll savings plan, June 30, 1944 and 1945*

	June 30, 1944	June 30, 1945
Number of persons participating (millions).....	27.6	25.1
Amount deducted (millions of dollars).....	540	550
Percent of participants' pay deducted.....	10.6	11.2

*Savings bond redemptions.*—United States savings bonds were the keystone of the Treasury's wartime program to absorb the small savings of individuals, which, in turn, was a part of the broader program of economic stabilization. The success of that program required that savings bonds be retained by their purchasers, except when a real necessity arose for their redemption. On the whole, this was done, and most of the redemptions which occurred were the result of personal emergencies which would have required the liquidation of savings in whatever forms they might have been held.

Redemptions of all series of savings bonds during the fiscal year amounted to \$4,298 million, including accrued discount. The table following shows redemptions for all series annually for the fiscal years 1941 through 1945 and by months for the fiscal year 1945.

*Redemptions of savings bonds, fiscal years 1941 through 1945 and by months for the fiscal year 1945*

[In millions of dollars at current redemption value. On basis of daily Treasury statements, see p. 437]

Period	Series A-D	Series E	Series F	Series G	Total
<b>By fiscal years:</b>					
1941.....	148	(*)	(*)	1	148
1942.....	133	60	3	12	207
1943.....	88	689	17	55	848
1944.....	79	2,100	58	134	2,371
1945.....	<sup>1</sup> 143	<sup>1</sup> 3,846	89	220	4,298
<b>By months:</b>					
1944—July.....	7	196	7	17	227
August.....	7	246	8	19	279
September.....	6	255	6	16	283
October.....	6	373	7	15	401
November.....	6	354	7	16	382
December.....	7	334	7	18	365
1945—January.....	8	306	7	20	341
February.....	6	290	9	18	323
March.....	26	406	9	22	464
April.....	22	359	6	17	404
May.....	22	376	8	21	426
June.....	<sup>1</sup> 21	<sup>1</sup> 352	9	22	403

NOTE.—Figures are rounded and will not necessarily add to totals.

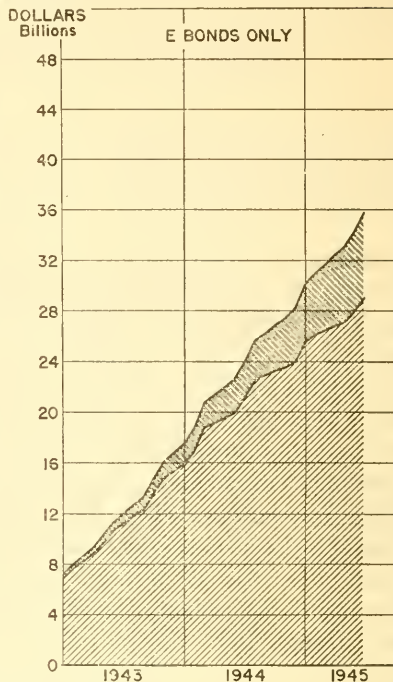
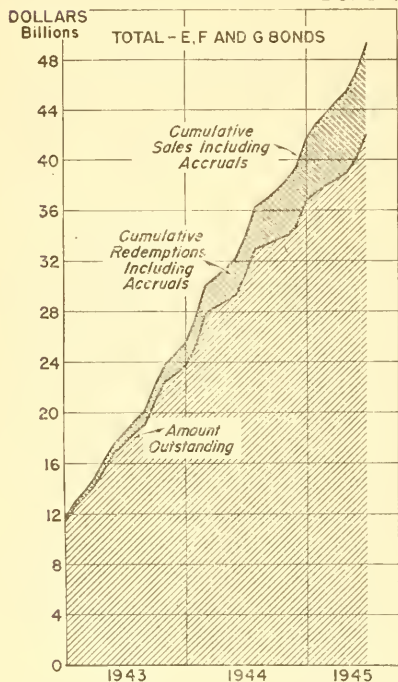
\* Less than \$500,000.

<sup>1</sup> There were \$56.5 million of Series A-D and E savings bonds redeemed through June 30, 1945, which had not been identified by series. For purposes of this table, it has been assumed that all of these were Series E bonds.

# SALES OF SAVINGS BONDS COMPARED WITH REDEMPTIONS

## MONTHLY JANUARY 1943 THROUGH JUNE 1945

### Dollar Amounts



### Percent Still Outstanding

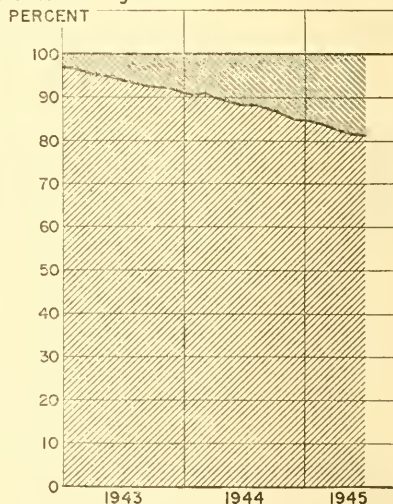
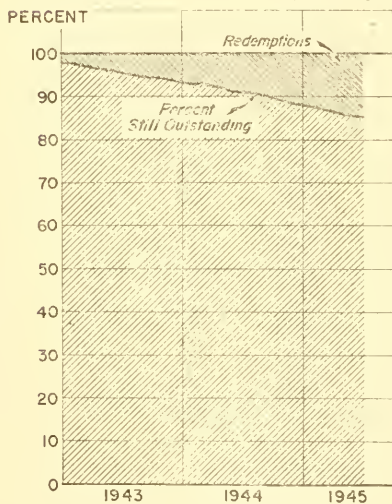


CHART 9.



Between May 1, 1941, when Series E, F, and G bonds were first issued, and June 30, 1945, sales of these series, plus accrued discount of \$448 million, amounted to \$49,283 million. Redemptions for the same period amounted to \$7,283 million or 14.8 percent of sales. Thus 85.2 percent of Series E, F, and G bonds sold were still outstanding on June 30, 1945.

Sales of Series E savings bonds between May 1, 1941, and June 30, 1945, plus accrued discount of \$418 million, amounted to \$35,792 million. Redemptions in the same period amounted to approximately \$6,694<sup>1</sup> million, or 18.7 percent of sales. Thus 81.3 percent of the total sales of this series were still held by the original purchasers, as compared with 88.1 percent so held a year earlier, as may be seen in Chart 9 on page 56.

Cumulative sales of Series F bonds between May 1, 1941, and June 30, 1945, plus \$30 million of accrued discount, amounted to \$2,771 million, while cumulative redemptions were \$167 million. Comparable figures for Series G savings bonds are sales of \$10,720 million, and redemptions of \$421 million. Thus, about 94.0 percent of Series F and 96.1 percent of Series G bonds remained outstanding at the end of the fiscal year.

Cumulative sales and redemptions of Series E, F, and G United States savings bonds from May 1, 1941, when they were first offered, are shown at half-year intervals in the following table. Series E sales and redemptions are shown by denominations.

*Cumulative sales of Series E, F, and G savings bonds compared with cumulative redemptions, semi-annually from December 1941 through June 1945*

[Sales including accruals and redemptions at current redemption value, in millions of dollars. Denominations estimated on basis of total deposits and redemptions, respectively, as reported by Treasurer of the United States]

Series	Cumulative sales	Cumulative redemptions	Percent outstanding	Cumulative sales	Cumulative redemptions	Percent outstanding
	December 1941			June 1942		
Series E—denominations:						
\$25.....	\$113.9	\$1.1	99.0	\$630.4	\$10.7	98.3
\$50.....	93.2	.7	99.2	355.0	5.2	98.5
\$100.....	258.4	2.4	99.1	854.5	13.1	98.5
\$500.....	229.4	2.4	99.0	677.8	11.0	98.4
\$1,000.....	449.7	4.5	99.0	1,213.2	20.1	98.3
All denominations.....	1,144.7	11.1	99.0	3,730.8	60.0	98.4
Series F—all denominations.....	207.7	.4	99.8	501.8	2.9	99.4
Series G—all denominations.....	1,184.9	2.1	99.8	2,426.6	12.4	99.5
	December 1942			June 1943		
Series E—denominations:						
\$25.....	1,886.6	90.5	95.2	3,630.7	419.6	88.4
\$50.....	807.0	22.2	97.3	1,440.4	91.9	93.6
\$100.....	1,598.8	36.7	97.7	2,575.0	97.0	96.2
\$500.....	1,086.3	26.0	97.6	1,689.0	53.6	96.8
\$1,000.....	1,764.9	44.9	97.5	2,700.1	86.6	96.8
All denominations.....	7,143.6	220.3	96.9	12,035.3	748.6	93.8
Series F—all denominations.....	861.3	7.4	99.1	1,262.2	19.9	98.4
Series G—all denominations.....	3,700.9	31.5	99.1	5,186.1	66.9	98.7

<sup>1</sup> Includes a small amount of Series A-D redemptions which were not classified separately from E bonds.



*Cumulative sales of Series E, F, and G savings bonds compared with cumulative redemptions, semi-annually from December 1941 through June 1945—Continued*  
 [In millions of dollars]

Series	Cumulative sales	Cumulative redemptions	Percent outstanding	Cumulative sales	Cumulative redemptions	Percent outstanding
	December 1943			June 1944		
Series E—denominations:						
\$25-----	5,632.4	938.4	83.3	7,826.2	1,649.8	78.9
\$50-----	2,206.6	210.6	90.5	3,100.6	399.0	87.1
\$100-----	3,781.6	196.1	94.8	5,183.0	362.4	93.0
\$500-----	2,346.6	99.6	95.8	3,097.9	174.0	94.4
\$1,000-----	3,590.6	155.8	95.7	4,765.7	263.0	94.5
All denominations-----	17,557.7	1,600.5	90.9	23,973.4	2,848.5	88.1
Series F—all denominations-----	1,610.9	42.2	97.4	2,073.3	77.6	96.3
Series G—all denominations-----	6,340.8	120.3	98.1	8,061.7	200.9	97.5
	December 1944			June 1945		
Series E—denominations:						
\$10-----	26.9	1.3	95.0	69.2	9.9	85.7
\$25-----	9,944.3	2,639.9	73.5	11,851.7	3,740.7	68.4
\$50-----	4,032.1	680.9	83.1	4,867.0	1,033.4	78.8
\$100-----	6,525.1	607.0	90.7	7,642.2	920.0	88.0
\$500-----	3,810.6	273.1	92.8	4,450.9	401.2	91.0
\$1,000-----	5,780.6	402.9	93.0	6,910.5	589.3	91.5
All denominations-----	30,119.7	4,605.2	84.7	35,791.5	6,694.4	81.3
Series F—all denominations-----	2,397.0	119.4	95.0	2,771.3	166.9	94.0
Series G—all denominations-----	9,232.3	301.7	96.7	10,720.0	421.3	96.1

NOTE.—Figures are rounded and will not necessarily add to totals.

As in the two preceding fiscal years, redemptions of \$25 and \$50 Series E bonds occurred at a greater rate than redemptions of larger denominations. This may be attributed, in part, to the fact that holders of the small denomination bonds as a whole had few liquid assets other than savings bonds which they could use in emergencies, while holders of the larger denominations were more likely to have other assets which could be liquidated with more advantage or less disadvantage to the holders. It may be attributed, in part, to the fact that strictly economic considerations such as interest returns played a smaller part in the decisions of the holders of \$25 and \$50 bonds with respect to their holdings than they did in the decisions of holders of larger denominations. A purchaser of savings bonds who is motivated by investment considerations has a strong incentive to hold his bonds to maturity because of the influence of the scale of redemption values.<sup>1</sup>

In some degree, the higher rate of redemption of smaller denomination Series E bonds is probably due to sales to individuals in amounts which were in excess of the purchaser's ability to carry. Such purchasers were able to adjust their holdings without loss of any part of their investment. Meanwhile, many others found that they could carry larger holdings of savings bonds than they would have acquired in the absence of appeals which led some to purchase more than they could hold.

<sup>1</sup> For redemption values see pp. 321 and 322 of the 1944 annual report.

It should be noted, of course, in considering savings bond redemptions, that redemptions were expected and that the demand redemption feature was a necessary substitute for marketability. Savings bonds were first introduced in 1935 to encourage the investment of small savings in United States securities. They were designed to provide an attractive return and to guarantee that the investor could always get his principal back, while, at the same time, adapting the interest return in case of redemption before maturity to market rates on investments of similar duration and providing an incentive not to cash the bonds before maturity. When the United States entered upon the defense program, savings bonds seemed admirably adapted to non-inflationary Government finance. Many holders of Liberty bonds lost heavily when they had to sell their holdings after World War I. Although Liberty bonds were paid in full at maturity, the recollection of individual losses promised to be a source of sales resistance if similar marketable bonds were offered to individuals to finance the national defense program, and later the war. It was felt that the people thus appealed to, who are inexperienced in investment procedures, were entitled to a "money-back guarantee" at all times, even though the Treasury did not then and does not now anticipate a recurrence of the price experience of 1919-20 with respect to marketable securities.

The table which follows compares redemptions of all series of United States savings bonds with the amounts outstanding, annually for the last five fiscal years, and monthly for the fiscal year 1945.

*Redemptions of all series of savings bonds as percent of amount outstanding, fiscal years 1941 through 1945 and by months for the fiscal year 1945*

[Dollars in millions. On basis of daily Treasury statements, see p. 437]

	Redemptions <sup>1</sup> during year or month	Amount out- standing <sup>1</sup> at end of year or month	Redemptions as percent of amount out- standing
By fiscal years:			
1941.....	\$148	\$4,314	3.43
1942.....	207	10,188	2.04
1943.....	848	21,256	3.99
1944.....	2,371	34,606	6.85
1945.....	4,298	45,586	9.43
By months:			
1944—July.....	227	36,538	.62
August.....	279	36,883	.76
September.....	283	37,323	.76
October.....	401	37,645	1.06
November.....	382	38,308	1.00
December.....	365	40,361	.91
1945—January.....	341	41,140	.83
February.....	323	41,698	.77
March.....	464	42,159	1.10
April.....	404	42,626	.95
May.....	426	43,767	.97
June.....	403	45,586	.88

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> At current redemption values, except Series G bonds which are valued at par.

The table which follows shows the cumulative redemption experience of savings bonds, by years from issue date, for bonds of Series A through Series E issued before our entry into the war, and for Series E bonds issued in 1942, 1943, and 1944. Redemption experience of Series F and G bonds combined is also shown.

*Percent of sales of savings bonds of each denomination redeemed by the end of various yearly periods through June 30, 1945*

[On basis of Public Debt accounts, see p. 437]

Denomination	Percent of bonds issued through Dec. 31, 1941, Series A to E, redeemed by end of—								
	1 year (1935-41 Series)	2 years (1935-41 Series)	3 years (1935-41 Series)	4 years (1935-41 Series)	5 years (1935-40 Series)	6 years (1935-39 Series)	7 years (1935-38 Series)	8 years (1935-37 Series)	9 years (1935-36 Series)
	Percent								
\$25.....	10	18	24	28	33	37	40	43	45
\$50.....	8	15	20	24	29	33	37	40	42
\$100.....	7	14	19	23	27	31	35	37	39
\$500.....	6	12	16	20	24	27	30	32	34
\$1,000.....	4	8	12	15	17	20	22	25	27
All denominations.....	5	10	14	17	20	23	26	29	30

Denomination	Percent of Series E bonds issued from Jan. 1, 1942, redeemed by the end of—			Percent of Series F and G bonds issued from May 1, 1941, redeemed by the end of—			
	1 year (1942-44 Series)	2 years (1942-43 Series)	3 years (1942 Series)	1 year (1941-44 Series)	2 years (1941-43 Series)	3 years (1941-42 Series)	4 years (1941 Series)
	Percent						
\$10.....	1 20	(1)	(1)	(2)	(2)	(2)	(2)
\$25.....	29	39	44	3 2	3 5	3 9	3 20
\$50.....	19	26	30	(2)	(2)	(2)	(2)
\$100.....	10	16	20	2	5	7	9
\$500.....	6	12	16	2	4	7	9
\$1,000.....	6	11	14	2	4	6	8
\$5,000.....	(2)	(2)	(2)	2	5	7	8
\$10,000.....	(2)	(2)	(2)	2	4	6	7
All denominations.....	17	24	27	2	4	6	7

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year, and before July 1 of succeeding calendar years. The percentages for each annual series have been calculated separately; the composite percentages shown above are simple averages of the percentages for each annual series.

<sup>1</sup> June 1, 1944, is the earliest authorized issue date for bonds of the \$10 denomination.

<sup>2</sup> This denomination not offered.

<sup>3</sup> This denomination offered in Series F only.

*Simplified redemption procedure.*—Arrangements to simplify the procedure for redemption of United States savings bonds of Series E and the predecessor issues Series A-D became effective October 2, 1944. Individual owners or coowners may now present such securities at any eligible bank or trust company which has qualified for this service.<sup>1</sup> The bank pays the redemption value of the bonds immediately, following satisfactory identification of the owners, and without charge to the bond owners. Previously it had been necessary to have

<sup>1</sup> Effective July 2, 1945, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions were also authorized to qualify as redeeming agencies for savings bonds (see exhibit 23, p. 314).

requests for redemption certified by an authorized official of a post office, bank, or other issuing agency, and then to forward the bonds to a Federal Reserve Bank or branch or to the Treasury for redemption, a procedure involving the lapse of several days before the bondholder received his money.

Institutions acting as redemption agents were compensated for this service at a rate of 15 cents each for the first 1,000 bonds redeemed in any calendar quarter, 12 cents each for the second 1,000 in the same quarter, and 10 cents each for all in excess of 2,000 bonds. Experience during the eight months that the plan was in effect in the fiscal year 1945 has since led to a slight reduction in the rates of compensation. Effective July 2, 1945, redeeming agencies are paid 15 cents each for the first 1,000 bonds and 10 cents each for all in excess of 1,000 redeemed in any calendar quarter.

The new redemption regulations did not alter the requirements that Series E savings bonds must be held for 60 days from the issue date before they become redeemable. The simplified procedure of cashing bonds, moreover, is available only to individuals; and does not apply to Series F and G bonds, which continue to be redeemable only by the method of certification and presentation of the bonds to a Federal Reserve Bank or branch or to the Treasury.

*Maturity of Series A United States savings bonds.*—On March 1, 1945, Series A savings bonds, first issued in 1935, began to mature. As of June 30, 1945, the amount outstanding of Series A bonds was \$119 million, current redemption value. Approximately \$62 million of Series A savings bonds were retired from March 1, 1945, through June 30, 1945.

Starting on March 1, 1945, individual owners were allowed the option of reinvesting the proceeds in Series E bonds, and in order to encourage such reinvestment the proceeds of maturing Series A bonds were exempted from the limit of \$5,000, maturity value, placed on bonds of Series E which may be registered in any one name during one calendar year, provided the reinvestment was made during the month in which the Series A bonds matured. Later, on June 17, 1945, the exemption from this annual limitation was extended to reinvestment at any time, after the maturity of the bonds, that they might be presented for payment. Interest, however, ceases to accrue at the maturity of the bonds, so that owners who fail to present their bonds at maturity and reinvest the proceeds lose interest for the period between maturity and the date of redemption. No exemption from the annual purchase limit is given for the reinvestment of the proceeds of Series A bond redemptions before maturity.

#### *War savings stamps*

Sales of war savings stamps for the fiscal year totaled \$268 million, while redemptions amounted to \$287 million. Of the amount



redeemed, \$232 million, or 80.6 percent, were exchanged for United States savings bonds. A balance of \$178 million was outstanding at the end of the fiscal year. Data on sales and redemptions of savings stamps from May 1, 1941, through June 30, 1945, are shown in the tables beginning on page 590.

*Treasury notes: tax series and savings series*

Sales of Series C Treasury savings notes during the fiscal year 1945 amounted to \$7,016 million. Redemptions of Series C notes during the year amounted to \$6,396 million. Redemptions of Series A and B tax savings notes brought the total redemptions of tax series and savings series Treasury notes to \$6,456 million, of which \$5,906 million, or 91.4 percent, were applied to the payment of taxes. This amount was \$459 million less than the amount applied to the payment of taxes in the fiscal year 1944. No Treasury notes of either the tax series or savings series matured during the year. There remained outstanding at the end of the year unmatured tax notes of Series A-1945 in the amount of \$68 million.

*Market financing outside war loans*

No cash offerings of marketable securities, other than Treasury bills, were made during the year except those made concurrently with, but not as part of, the Fifth, Sixth, and Seventh War Loan drives, for the limited investment of time deposits of commercial banks and for the convenience of Treasury investment accounts. The results of these offerings have been described already in the discussion of the Fifth, Sixth, and Seventh War Loans.

*Treasury notes.*—Five issues of Treasury notes matured during the year. One percent Treasury notes due March 15, 1946, were offered in exchange for each of the two issues of notes maturing in September 1944. Holders of each of the three issues of notes maturing in March 1945 were offered in exchange certificates due March 1, 1946, as shown in the table that follows.

Maturing issue	Description of new security	Exchanged	Redeemed for cash <sup>1</sup>	Total	Percent exchanged
In millions					
$\frac{3}{4}$ % Treasury notes due Sept. 15, 1944.	1% Treasury notes due Mar. 15, 1946.	\$602	\$33	\$635	95
1% Treasury notes due Sept. 15, 1944.	1% Treasury notes due Mar. 15, 1946.	185	98	283	65
0.90% Treasury notes due Mar. 1, 1945.	$\frac{3}{8}$ % certificates due Mar. 1, 1946.	2,109	18	2,127	99
$\frac{3}{4}$ % Treasury notes due Mar. 15, 1945.	$\frac{3}{8}$ % certificates due Mar. 1, 1946.	493	225	718	69
1 $\frac{1}{4}$ % Treasury notes due Mar. 15, 1945.	$\frac{3}{8}$ % certificates due Mar. 1, 1946.	1,546	60	1,606	96

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Includes amounts transferred to matured debt.



*Certificates of indebtedness.*—Eight issues of certificates of indebtedness matured during the fiscal year 1945, and were refunded into new issues of certificates of indebtedness or, in two cases, into 13-month notes for the purpose of preventing two issues from maturing on the same date. The market treats such notes as certificates, and they are designated “notes” because the maturity is more than one year. The following table shows the details of the transactions:

Maturing issue	Description of new security	Exchanged	Redeemed for cash <sup>1</sup>	Total	Percent exchanged
In millions					
$\frac{1}{8}$ % certificates due Aug. 1, 1944.	$\frac{1}{8}$ % certificates due Aug. 1, 1945.	\$2,511	\$34	\$2,545	99
$\frac{1}{8}$ % certificates due Sept. 1, 1944.	$\frac{1}{8}$ % certificates due Sept. 1, 1945.	3,694	428	4,122	90
$\frac{1}{8}$ % certificates due Oct. 1, 1944.	$\frac{1}{8}$ % certificates due Oct. 1, 1945.	3,492	27	3,519	99
$\frac{1}{8}$ % certificates due Dec. 1, 1944.	0.90% Treasury notes due Jan. 1, 1946.	3,416	124	3,540	96
$\frac{1}{8}$ % certificates due Feb. 1, 1945.	$\frac{1}{8}$ % certificates due Feb. 1, 1946.	4,649	400	5,048	92
$\frac{1}{8}$ % certificates due Apr. 1, 1945.	$\frac{1}{8}$ % certificates due Apr. 1, 1946.	4,811	66	4,877	99
$\frac{1}{8}$ % certificates due May 1, 1945.	$\frac{1}{8}$ % certificates due May 1, 1946.	1,579	35	1,615	98
$\frac{1}{8}$ % certificates due June 1, 1945.	0.90% Treasury notes due July 1, 1946.	4,187	583	4,770	88

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Includes amounts transferred to matured debt.

*Treasury bonds.*—On November 20, 1944, the Treasury offered holders of the 4 percent Treasury bonds of 1944–54, called for redemption on December 15, 1944, an opportunity to exchange their holdings into three of the securities offered in the Sixth War Loan; namely, the  $1\frac{1}{4}$  percent Treasury notes due September 15, 1947, the 2 percent Treasury bonds of December 15, 1952–54, and the  $2\frac{1}{2}$  percent Treasury bonds of March 15, 1966–71, subject to the stipulation that the  $2\frac{1}{2}$  percent bonds could not be held by commercial banks, except under limited provisions, for their own account prior to December 1, 1954. Exchanges amounted to \$911 million, or 88 percent of the \$1,037 million outstanding. The distribution of accepted exchanges among the three new securities is shown in the following table.

New issue	Amount (in millions)	Percent of total
$1\frac{1}{4}$ % Treasury notes, Sept. 15, 1947.....	\$137	15
2% Treasury bonds, Dec. 15, 1952–54.....	740	81
$2\frac{1}{2}$ % Treasury bonds, Mar. 15, 1966–71.....	33	4
Total exchanges of 4% Treasury bonds of 1944–54.....	911	100

NOTE.—Figures are rounded and will not necessarily add to totals.

On May 14, the  $2\frac{3}{4}$  percent Treasury bonds of 1945–47 were called for payment on September 15, 1945, their first call date. There were \$1,214 million of these bonds outstanding at the time.

*Guaranteed issues.*—On January 22, 1945, the Treasury announced an exchange offering of  $\frac{7}{8}$  percent certificates due February 1, 1946, for the Commodity Credit Corporation Series G notes maturing February 15, 1945. Ninety-six percent (\$395 million) of the \$412 million outstanding were exchanged.

Announcement was made on May 21, 1945, that owners of the outstanding Home Owners' Loan Corporation bonds of 1945-47, called for redemption on June 1, 1945, would be offered an opportunity to exchange their bonds for the new 0.90 percent notes to mature July 1, 1946. Seven hundred twenty-three million dollars (96 percent) of the \$755 million outstanding were exchanged. With the repayment of the Home Owners' Loan Corporation bonds, the last of the publicly offered securities of Federal agencies, guaranteed as to principal and interest by the United States, has been retired. There remain publicly outstanding only two groups of unmatured obligations which are guaranteed by the United States: (1) \$450 million of certain demand obligations of the Commodity Credit Corporation issued principally to commercial banks in connection with commodity transactions, and (2) \$34 million of debentures issued by the Federal Housing Administration in connection with mortgage insurance.

Further details with respect to the Treasury's policy on the issuance of guaranteed obligations appear on page 88 of this report.

*Treasury bills.*—Offerings of Treasury bills were made each week during the year; 48 issues were for a term of 91 days, 2 issues were for a term of 92 days, and 2 issues were for a term of 90 days. The amount of the weekly offerings was \$1,200 million at the start of the year, but was increased to \$1,300 million on October 13, 1944, for seven consecutive weeks, followed by six weeks in which the weekly offerings were \$1,200 million. Thereafter offerings were again increased to \$1,300 million for the remaining weeks of the fiscal year. The 13 issues outstanding at the beginning of the year totaled \$14,734 million; the 13 issues outstanding at the end of the year totaled \$17,041 million. Of the 52 issues offered during the year, all were sold at a positive average rate of discount, the average rate on all bills issued during the year being 0.375 percent, the same as the posted buying rate for such securities at the Federal Reserve Banks.

During the fiscal year 1945, the provision, effective May 12, 1943, for the acceptance, in full, of tenders for bills in the amount of \$100,000 or less from any one bidder at a fixed price of \$99.905 per \$100 was changed, to increase the amount to \$200,000 or less, effective with the offering dated November 30, 1944. Bids on a fixed price basis averaged about \$58 million a week during 1945, and amounted in the aggregate to about 4.6 percent of all bids accepted.

Further information concerning Treasury bills will be found in the exhibits beginning on page 284, and in the table on page 556.

*Other public debt transactions*

*Adjusted service bonds.*—The 3 percent adjusted service bonds of 1945 matured on June 15. These bonds were issued originally as of June 15, 1936, in exchange for adjusted service certificates held by veterans of World War I, under the Adjusted Compensation Payment Act of 1936. This act provided for the immediate payment of the face amount of such certificates less outstanding loans and unpaid accrued interest thereon to September 30, 1931 (interest accrued subsequent to that date being canceled). Payment was authorized in the form of nonnegotiable, but immediately redeemable, bonds in units of \$50, with any odd amounts being paid to veterans by check. The bonds were dated June 15, 1936, bore interest at 3 percent, and matured June 15, 1945. They were, however, redeemable at any time at the option of the veteran; but no interest was payable on bonds redeemed before June 15, 1937.

A total of \$1,848 million of adjusted service bonds of 1945 was issued. Of this amount \$1,421 million were retired by June 30, 1937, and an additional \$205 million were retired up to the beginning of the fiscal year 1945. Of the remaining amount, \$113 million were repaid during the fiscal year, leaving \$109 million which had not been presented for payment at the close of the year and which were carried to the matured debt on which interest has ceased.

*Depository bonds.*—Issuance of the first series of depository bonds, as authorized by Department Circular No. 660, dated May 23, 1941, was continued during the year to the various qualified depositories and financial agents in amounts not exceeding the amount for which each depository and financial agent had qualified. The total issued during the year amounted to \$84 million, and redemptions for the year amounted to \$58 million, leaving \$411 million outstanding on June 30, 1945.

Issuance of the second series of depository bonds, as authorized by Department Circular No. 714, dated June 25, 1943, was also continued during the year to the various qualified depositories for withheld taxes. The total issued during the year amounted to \$10 million, and redemptions for the year amounted to \$6 million, leaving \$93 million outstanding on June 30, 1945.

*Excess profits tax refund bonds.*—Excess profits tax refund bonds were issued during the year, under Department Circular No. 728, dated December 31, 1943, in the amount of \$894 million, which, added to issues during the preceding year, brought the total outstanding on June 30, 1945, to \$1,028 million.

The original terms of issuance of excess profits tax refund bonds are described in the Annual Report of the Secretary of the Treasury for

the fiscal year ended June 30, 1944, pages 66-67. Subsequent to the close of the fiscal year 1945, Congress amended the relevant portion of the Internal Revenue Code (by an act of July 31, 1945) to provide that these bonds should become payable January 1, 1946, at the option of the owner.

*Special issues.*—During the year the Treasury continued to issue special series of interest-bearing securities for the investment of trust or other funds deposited in the Treasury. The amount of such obligations increased by \$4,525 million during the year. Details will be found in the table on page 519 of this report.

*Special short-term certificates of indebtedness.*—Special short-term certificates of indebtedness were sold in March 1945, directly and solely to the Federal Reserve Banks to cover overdrafts on Treasury balances at the Federal Reserve Banks made in anticipation of the receipt of income tax payments due March 15. The amount issued was \$4 million, and the certificates were retired as rapidly as funds from tax payments became available.

### *Cumulative sinking fund*

Credits accruing to the cumulative sinking fund during the year amounted to \$588 million which, added to the unexpended balance of \$4,350 million brought forward from the previous year, made available \$4,937 million for the year. None of the funds were used for the retirement of bonds and notes which matured or which were called during the fiscal year 1945. The unexpended balance of \$4,937 million was carried forward to the fiscal year 1946.

Tables presenting the transactions on account of the fund since its inception on July 1, 1920, will be found on page 566 of this report.

### *Composition of the public debt*

The gross public debt on June 30, 1945, amounted to \$258,682 million, an increase of \$57,679 million during the fiscal year. (In addition, \$508 million of obligations fully guaranteed by the United States, and not held by the Treasury, were outstanding on June 30, 1945.)

Chart 10 on page 69 shows the guaranteed debt and the composition of the interest-bearing debt outstanding at the end of each month from June 30, 1938, through June 30, 1945.

The following table shows the distribution of the gross public debt on June 30, 1944, and June 30, 1945, by classes of issues.



*Public debt outstanding on June 30, 1944, and June 30, 1945, by classes of issues<sup>1</sup>*

[Dollars in millions. On basis of daily Treasury statements, see page 437]

Class of issue	June 30, 1944	June 30, 1945	Percent increase or de- crease (—)	Percent distribu- tion of amounts	
				1944	1945
Interest bearing:					
Public issues:					
Marketable issues:					
Bonds authorized by acts prior to April 6, 1917.....	196	196	—0.1	0.1	0.1
Treasury bonds.....	79,244	106,448	34.3	39.4	41.2
Treasury notes <sup>2</sup> .....	17,405	23,497	35.0	8.7	9.1
Certificates of indebtedness <sup>2</sup> .....	28,822	34,136	18.4	14.3	13.2
Treasury bills.....	14,734	17,041	15.7	7.3	6.6
Total marketable issues.....	140,401	181,319	29.1	69.9	70.1
Nonmarketable issues:					
United States savings bonds.....	34,606	45,586	31.7	17.2	17.6
Depository bonds.....	474	505	6.4	.2	.2
Adjusted service bonds.....	217	-----	—100.0	.1	-----
Treasury notes, tax series and savings series.....	9,557	10,136	6.1	4.8	3.9
Total nonmarketable issues.....	44,855	56,226	25.4	22.3	21.7
Total public issues.....	185,256	237,545	28.2	92.2	91.8
Special issues to trust funds, etc.....	14,287	18,812	31.7	7.1	7.3
Total interest-bearing debt.....	199,543	256,357	28.5	99.3	99.1
Matured debt on which interest has ceased.....	201	269	33.8	.1	.1
Debt bearing no interest <sup>3</sup> .....	1,259	2,057	63.4	.6	.8
Total gross debt.....	201,003	258,682	28.7	100.0	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Excludes fully guaranteed obligations not held by the Treasury; but reflects financing of Government corporations and credit agencies by the Treasury through the acquisition of their securities.<sup>2</sup> If the 13-month 0.90 percent Treasury notes, which resemble certificates of indebtedness more closely than they do the other series of Treasury notes, were reclassified as certificates of indebtedness, these two lines of the table would read as follows:

Treasury notes.....	15,278	15,173	—0.7	7.6	5.9
Certificates of indebtedness.....	30,949	42,461	37.2	15.4	16.4

<sup>3</sup> Includes \$134 million excess profits tax refund bonds in 1944 and \$1,028 million of such bonds in 1945. Includes \$109 millions of adjusted service bonds in 1945.

The table which follows shows the estimated distribution of the interest-bearing debt (including securities guaranteed by the United States and not owned by the Treasury) according to the number of years to earliest redemption date, either at the option of the Government or at the option of the holder, and according to the number of years to maturity. There has been little change during the year, it will be observed, in the relative proportions of the debt in the several redemption and maturity classes. About 60 percent of the debt is redeemable within 5 years, and about 40 percent matures within that period. This, as indicated elsewhere in this report, will make for efficiency in managing the public debt, and will make for flexibility of the economy in adapting itself to changing conditions.



*Estimated distribution, by earliest optional redemption date, and by maturity, of interest-bearing securities issued or guaranteed by the United States, June 30, 1944 and 1945*

Term to redemption or maturity	Amount in billions of dollars		Percent of total	
	June 30, 1944	June 30, 1945	June 30, 1944	June 30, 1945
Classified by years to earliest optional redemption date <sup>1</sup>				
1 year or less <sup>2</sup> .....	r 96.4	117.2	47.9	45.7
1-5 years.....	25.1	34.8	12.5	13.6
5-10 years.....	33.9	41.5	16.9	16.2
10-15 years.....	9.8	11.7	4.9	4.5
15-20 years.....	10.2	19.3	5.1	7.5
Over 20 years.....	11.3	13.4	5.6	5.2
Special issues <sup>3</sup> .....	r 14.3	18.8	7.1	7.3
Total.....	201.1	256.8	100.0	100.0
Classified by years to maturity				
1 year or less.....	r 50.0	61.3	24.9	23.9
1-5 years.....	r 31.8	35.7	15.8	13.9
5-10 years.....	60.4	84.6	30.0	33.0
10-15 years.....	14.6	18.2	7.3	7.1
15-20 years.....	8.4	5.5	4.2	2.1
Over 20 years.....	21.5	32.6	10.7	12.7
Special issues <sup>3</sup> .....	r 14.3	18.8	7.1	7.3
Total.....	201.1	256.8	100.0	100.0

NOTE.—Figures are rounded and will not necessarily add to totals.

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<sup>1</sup> Whether optional with the Treasury or with the holder.

<sup>2</sup> Securities redeemable at the owner's demand (United States savings bonds, Treasury savings notes, adjusted service bonds, and depository bonds) have been classified as redeemable in 1 year or less.

<sup>3</sup> Held by United States Government agencies and trust funds.

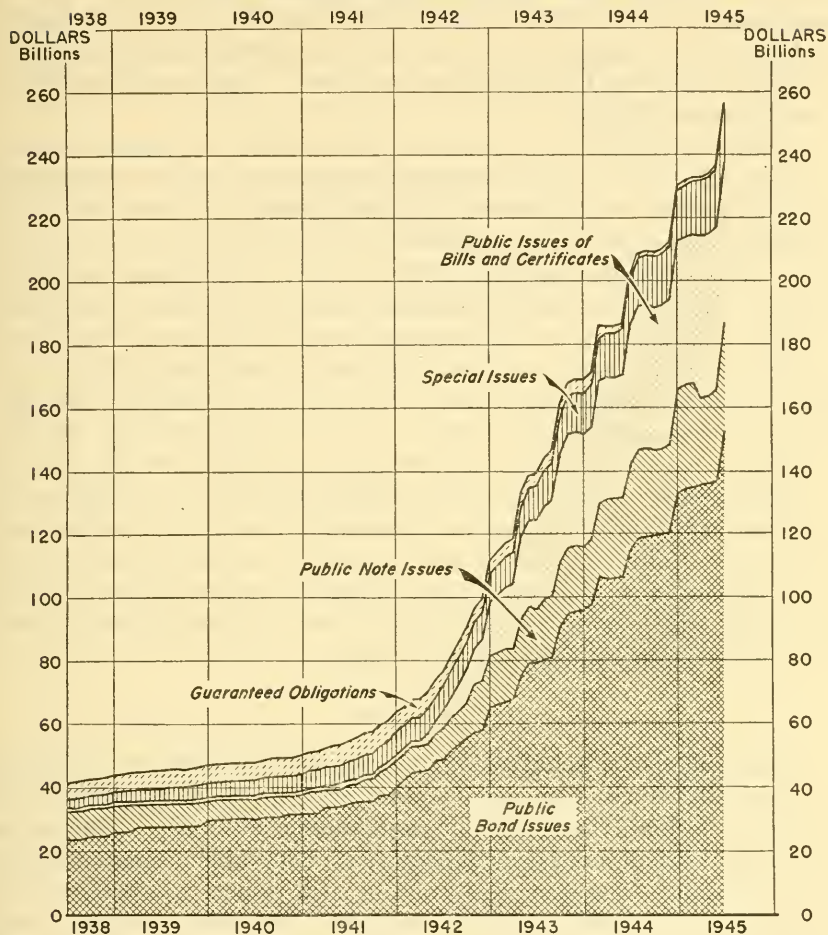
### *Interest on the public debt*

*Expenditures.*—Total expenditures during the year for interest on the public debt amounted to \$3,617 million (on basis of daily Treasury statements), an increase of \$1,008 million over the preceding year. As shown in table 52 (on basis of Public Debt accounts), on page 600, \$2,441 million consisted of interest subject to the Federal income tax, \$748 million of interest subject, with minor exceptions, to the surtax only, and \$45 million of interest wholly exempt from the Federal income tax. In addition, interest paid on special securities issued to Government agencies and trust funds, which are not taxable, amounted to \$405 million. These amounts compare with expenditures in the previous year of \$1,462 million of taxable, \$891 million of partially tax-exempt, and \$27 million of wholly tax-exempt interest, and \$308 million of interest on special issues.

The amount of wholly tax-exempt interest would have decreased sharply between the two years, had it not been for the maturity of the adjusted service bonds on June 15. The accumulated interest on these bonds, which is wholly tax-exempt, for the entire nine years they had been outstanding was, by their terms, payable at maturity.

COMPOSITION OF THE PUBLIC DEBT<sup>1</sup> BY TYPES OF ISSUES

MONTHLY JUNE 1938 THROUGH JUNE 1945



B-50-L

CHART 10.

<sup>1</sup> Includes guaranteed issues.

On June 30, 1945 the annual accrual of wholly tax-exempt interest on the entire public debt amounted to about \$5 million.

Tax-exempt interest has decreased, both in absolute amount and in percent of total interest disbursed, since the Public Debt Act of 1941 subjected the interest from all United States Government securities issued after February 28, 1941, to the Federal income tax. As a result of the taxation of interest on Federal Government securities, the burden of the interest charge on the debt of World War II is, and will continue to be, more equitably distributed than it would have been if tax exemption had been allowed to continue.

*Interest rate structure.*—Chart 11 on page 71 compares the term structure of interest rates on Government securities on June 30, 1944, and June 30, 1945. Interest rates fell during the year on all classes of Government obligations, except taxable securities with maturities or first call dates of less than about two years. Rates on these securities increased slightly.

Despite the decline in the market yields of United States securities of most maturities, the average rate of interest on the outstanding interest-bearing debt increased slightly during the year, due to a decrease in the proportion of the debt consisting of short-term securities. The computed interest charge on the interest-bearing public debt of \$256,357 million outstanding on June 30, 1945, was \$4,964 million, as compared with a computed charge of \$3,849 million a year earlier, when the outstanding interest-bearing debt was \$199,543 million. The computed interest rate at the end of the fiscal year was 1.936 percent, as compared with 1.929 percent on June 30, 1944. During the year it fell as low as 1.919 percent and rose as high as 1.937 percent.

The average interest rate on borrowing during the wartime period has been substantially below that prevailing just before the outbreak of the war. This contrasts with the experience of World War I, when interest rates rose sharply. This contrast is shown in the chart on page 413, which compares the course of the computed rate of interest on the public debt during the two wars.

### *Debt limit*

The Public Debt Act of 1945, approved April 3, 1945 (see exhibit 26 on page 322), further amended section 21 of the Second Liberty Bond Act so as to limit the obligations issued under authority of the act to an amount not to exceed in the aggregate \$300 billion outstanding at any one time. The prior limitation in such respect was \$260 billion, as fixed by the Public Debt Act of 1944. The limitation, as it was established by the Public Debt Act of 1945, includes obligations of Federal agencies fully guaranteed by the United States and not held by the Treasury. Previous limitations applied only to direct public debt obligations.

As of June 30, 1945, the unused borrowing authorization under the limitation in effect on this date was about \$31 billion, as shown on page 72, together with an analysis of United States Government securities outstanding subject to statutory debt limitation compared with the public debt outstanding.

## YIELDS OF OBLIGATIONS OF THE UNITED STATES

BASED ON CLOSING PRICES

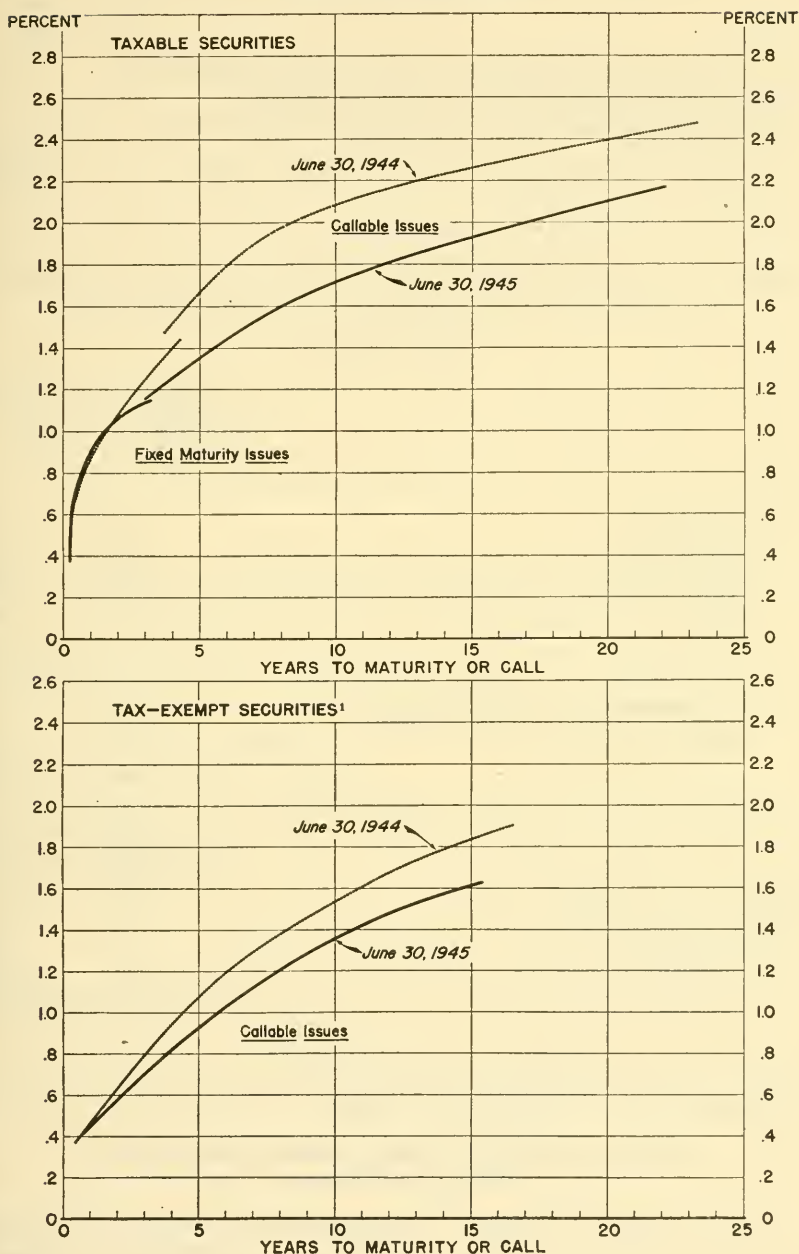


CHART 11.

<sup>1</sup> All wholly tax-exempt securities and partially tax-exempt securities with fixed maturities are omitted because they are too few in number and too small in outstanding amount to permit drawing a significant curve.

*Statutory limitation on the public debt as of June 30, 1945*

[In millions of dollars]

	Amount
Maximum amount of securities which may be outstanding at any one time, under limitations imposed by section 21 of the Second Liberty Bond Act, as amended.....	300,000
Amount of securities outstanding subject to such statutory debt limitation:	
Government securities issued under the Second Liberty Bond Act, as amended.....	268,238
Guaranteed securities <sup>1</sup> .....	433
	<hr/> 268,671
Total amount of securities outstanding subject to statutory debt limitation.....	
Balance issuable under such authority.....	<hr/> 31,329

<sup>1</sup> Exclusive of guaranteed securities held by the Treasury.*Analysis of Government securities outstanding subject to statutory debt limitation and comparison with the public debt outstanding, June 30, 1945*

[In millions of dollars]

	Government securities outstanding subject to statutory debt limitation	Total public debt outstanding
Interest-bearing securities:		
Marketable issues:		
Treasury bills.....	17,041	17,041
Certificates of indebtedness.....	34,136	34,136
Treasury notes.....	23,497	23,497
Treasury bonds.....	106,448	106,448
Postal savings and other bonds (authorized by act prior to Apr. 6, 1917).....		196
Total marketable issues.....	<hr/> 181,123	<hr/> 181,319
Nonmarketable issues:		
United States savings bonds (Current redemption value.....)		45,586
Treasury tax and savings notes (Maturity value.....)	56,195	
Depository bonds.....	10,136	10,136
	505	505
Total nonmarketable issues.....	<hr/> 66,835	<hr/> 56,226
Special issues to Government agencies and trust funds.....	18,812	18,812
Total interest-bearing securities.....	<hr/> 266,770	<hr/> 256,357
Matured securities on which interest has ceased.....	262	269
Obligations bearing no interest:		
United States savings stamps.....	178	178
Excess profits tax refund bonds.....	1,028	1,028
Currency items, etc. <sup>1</sup> .....		852
Total obligations bearing no interest.....	<hr/> 1,205	<hr/> 2,057
Total.....	<hr/> 268,238	<hr/> 258,682

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Consists of United States notes (less gold reserve); deposits for retirement of national bank and Federal Reserve Bank notes; and other obligations bearing no interest.**SOURCES OF FUNDS FOR FEDERAL BORROWING,  
FISCAL YEAR, 1945<sup>1</sup>**

In the discussion on page 47 of absorption and ownership of Federal securities by investor classes, figures were presented to indicate where the Government obtained its borrowed funds in the last fiscal

<sup>1</sup> The estimates available for the present analysis are taken from various sources and are subject to certain technical qualifications as noted in footnotes. The Department of Commerce, the Securities and Exchange Commission and the Federal Reserve System have conducted studies which together with available Treasury Department data fill in the picture on the sources of funds for Federal borrowing.



year. How do these amounts compare with the volume of new funds available in the hands of the various investor classes?

An analysis of the funds available for the Federal Government to tap in its borrowing program must rest primarily on an analysis of production, spending, income, and savings in the economy. At the same time that production turns out physical goods and services, income is created. When munitions are manufactured and sold to the Army, for example, the producer pays wages to his workers and dividends to stockholders; he pays other producers for the raw materials that they provide, and he sets aside part of the income to cover depreciation and to pay his taxes. Thus income is distributed in the aggregate in an amount equal to the value of total production in the economy as a whole. In addition, however, income is distributed by Government when it makes expenditures for purposes other than the acquisition of goods and services. As a total, then, the gross income flow of the country may be measured by the market expenditures of all economic groups in the country: individuals, corporations (and associations), State and local governments, and the Federal Government.

Under wartime conditions, the Federal Government accounted for a larger share of the aggregate spending than it received in taxes from the gross income flow. On the other hand, the rest of the economy—individuals, corporations, and State and local governments—had more income left after Federal taxes than the value of the goods and services available for purchase at prevailing prices. It was this surplus of income which the Government sought to reach through its borrowing programs.

The discussion which follows presents figures for the fiscal year on the development of the gross income flow, the investment of new savings in Federal securities,<sup>2</sup> and the transactions of different investor classes resulting in the final net investment figures for each class. Similar, but less detailed, figures are discussed for the last five fiscal years in this report in connection with an analysis of the "Impact of Treasury Fiscal Operations on the Economy in the War Years."<sup>3</sup>

Throughout this section the term "individuals" is used to include unincorporated business, partnerships, and personal trust accounts; the term "other corporations and associations" comprises all corporations and associations other than banks and insurance companies, and includes dealers and brokers and the investment of foreign balances in this country.

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<sup>2</sup> The term "Federal securities" as used here comprises all interest-bearing public debt and guaranteed securities of the United States Government.

<sup>3</sup> See p. 81.

In the fiscal year 1945 total spending in this country amounted to \$211 billion,<sup>4</sup> or more than double the annual amount before the war. The bulk of the gain was explained by the rapid growth of Federal war expenditures; of the \$211 billion of total spending in 1945, the Federal Government accounted for \$100 billion, or almost half. The remaining \$111 billion comprised State and local government expenditures of \$8 billion, consumers' expenditures of \$100 billion, and \$3 billion of business expenditures for capital goods.

The \$211 billion of total spending in 1945 was, of course, reflected in a corresponding flow of income. Thus there was \$211 billion of gross income flow,<sup>5</sup> which in the first instance was either distributed between individuals and corporations or accounted for by indirect taxes (such as sales taxes). In the fiscal year 1945 individuals received \$167 billion,<sup>6</sup> or over three-fourths of the total gross income flow. Wages and salaries amounted to \$119 billion,<sup>7</sup> or by far the largest part of individuals' income. The remaining \$48 billion received by individuals comprised three types of income: (1) Net income and reserves of farms and other unincorporated business of \$27 billion, (2) interest, rents and royalties, and dividends received from corporations totaling \$16 billion, and (3) pensions, relief, tax refunds, and similar miscellaneous government payments to individuals of \$6 billion.

The remaining \$44 billion of income flow not received by individuals was either received by corporations or represented indirect taxes flowing through business as tax collectors for the government. Corporations accounted directly for \$28 billion of the gross income flow in fiscal 1945. This comprised (1) current earnings of \$21 billion before all direct tax payments by corporations, but after dividends paid to individuals, and (2) current allowances of \$7 billion for cor-

<sup>4</sup> Gross national product of \$203 billion, plus governmental payments other than for goods and services of \$8 billion.

<sup>5</sup> There are a number of concepts of income, each of which is useful for particular purposes. Thus income payments to individuals measure the total flow of income to individuals regardless of whether it arose out of production or is received in the form of pensions or relief payments. National income, as defined by the Department of Commerce, adds to income payments corporate retained earnings and social insurance taxes on employees and employers but subtracts income payments arising from government payments for pensions, relief, and social insurance benefits. The gross national product represents on the one hand the market value of goods and services produced while on the other hand it represents the income generated by that production. It thus includes, as defined by the Department of Commerce, national income plus business taxes and allowances for reserves such as depreciation, depletion, etc. The gross income flow as used here comprises the gross national product plus governmental expenditures for pensions, relief, prepayments and settlements on war contracts, tax refunds, etc., which are not counted as part of the gross national product by the Department of Commerce. In a technical sense, a minor share of this gross income flow should not be called income since it represents a return of capital or an adjustment to income for a past or future year. Thus the new reserves set aside by business for depreciation or depletion are the measure of capital used up and replaced from current production, while the receipts of war contract prepayments and settlements or tax refunds by individuals or corporations are really transactions affecting either prior or future years' income. In studying the flow of funds in relation to Federal borrowing, however, these deviations from the more general definitions of income may be ignored.

<sup>6</sup> Income payments to individuals of \$161 billion plus net increment in social insurance reserves, tax refunds, and allowances for unincorporated business reserves. Total business allowances for reserves for depreciation, depletion, etc., as estimated by the Department of Commerce, have been classified roughly as between unincorporated business and corporations to permit the proper separation of the total income flow between individuals and corporations; capital outlays charged to current expense, inventory revaluation adjustment, and adjustment for discrepancies are also included with such allowances.

<sup>7</sup> Including social insurance contributions of employees and employers.

porate reserves for depreciation, depletion, etc. Indirect taxes totaled \$16 billion, comprising \$8 billion of Federal taxes (mostly excise taxes) and \$8 billion of State and local taxes (mostly sales, license and business property taxes).

The second step in the distribution of the gross income flow is the payment of direct taxes to government by individuals and corporations. In the fiscal year 1945, individuals paid \$22 billion in direct taxes (principally net income taxes) while corporations paid \$18 billion in direct taxes (largely Federal corporate net income and excess profits taxes). The payment of taxes, of course, results in a redistribution of the income flow between individuals and corporations, and the Federal Government and State and local governments, as shown in the table following. The income in the hands of each group after transfers by taxes may be referred to as disposable income.<sup>8</sup>

*Gross income flow and disposable income, fiscal year 1945*

[In billions of dollars]

	Individ- uals	Corpo- rations	Indirect taxes	State and local gov- ernments	Federal Govern- ment	Total gross in- come flow
A. Initial distribution of gross income flow	167	28	16	-----	-----	211
B. Redistribution of income flow through taxes:						
1. Direct taxes on individuals <sup>1</sup> -----	-22	-----	-----	+2	+20	-----
2. Direct taxes on corporations-----	-----	-18	-----	(*)	+18	-----
3. Indirect taxes-----	-----	-----	-16	+8	+8	-----
4. Total taxes paid-----	-22	-18	-16	+10	+46	-----
C. Distribution of disposable income-----	145	10	-----	10	46	211

\* Less than \$500 million.

<sup>1</sup> Includes minor amounts of employment taxes received by the Federal Government which are not transferred to social insurance trust funds.

The disposable income, as received by each of the four broad income recipient groups in the economy, is subsequently divided between spending and saving. Under wartime conditions one recipient group—the Federal Government—has spent considerably more than its income from taxes, thus running a deficit, while the other recipient groups have spent less than the amount of their disposable income and thus have accumulated liquid savings. The sum of these liquid savings is equal to the amount of the deficit of the Federal Government, as will be noted from the figures on spending and saving shown in the following table.

<sup>8</sup> This term should not be confused with "disposable income of individuals" as used in a narrower sense by the Department of Commerce in reference to income payments to individuals less personal taxes and nontax payments.

*Disposable income and liquid savings, fiscal year 1945*

[In billions of dollars]

	Groups other than Federal Government				Federal Government	Total
	Individuals	Corporations	State and local governments	Total		
A. Disposable income.....	145	10	10	165	46	211
B. Less: Spendings.....	101	2	8	111	100	211
C. Equals: Liquid savings (equal to Federal deficit).....	44	8	2	54	-54	-----

It will be noted that in the fiscal year 1945 individuals spent \$101 billion and saved \$44 billion, or 30 percent of their disposable income of \$145 billion. Almost all of the expenditures consisted of purchases of consumers' goods and services, but there were minor amounts of purchases of plant, equipment, and inventories by unincorporated business, and small amounts of residential housing were purchased by individuals.

Corporations had \$10 billion of disposable income in the fiscal year 1945, but corporate spendings for capital assets amounted to only \$2 billion because of the difficulty of undertaking new private construction, purchases of new equipment or replenishment of declining inventories. (Corporate spendings include only items purchased and retained, excluding expenditures for things resold during the year.) Accordingly, corporate liquid savings, including unspent reserves, aggregated about \$8 billion.

In the fiscal year 1945 State and local governments had a current surplus amounting to nearly \$2 billion. Income from taxes aggregated about \$10 billion for these governmental units while spending amounted to only \$8 billion. As has been true throughout the war period, this surplus resulted from the fact that tax collections were at unusually high levels due to the extraordinary expansion of business activity, while spending was curtailed by the reduction in construction programs, particularly for new highways.

Individuals, corporations, and State and local governments—constituting all of the economy except the Federal Government—had disposable income in the fiscal year 1945 aggregating \$165 billion; they spent only \$111 billion, leaving liquid savings of \$54 billion. The Federal Government, on the other hand, had only \$46 billion of disposable income, whereas its spendings amounted to \$100 billion. This left a deficit of \$54 billion, exactly balancing the liquid savings of the rest of the economy.

A major objective of war financing was to draw on these liquid savings as far as possible to cover the Federal deficit. To the extent



that this was not done, individuals, corporations, and State and local governments as a group were saving in the form of currency and commercial bank deposits and the Federal Government was borrowing equivalent amounts from banks. A large increase in the supply of money, both circulating media and commercial bank deposits, was necessary and desirable but every effort was needed to keep the expansion in the monetary supply at the lowest possible level in order to lessen inflationary pressures. The results over the war period for all nonbank investors combined are discussed in a separate section;<sup>9</sup> the results in the fiscal year 1945 by each nonbank investor class are analyzed below.

First of all, it should be noted that a part of the liquid savings of any given recipient group may be transferred to another nonbank investor group, which in turn undertakes the actual investment of the funds thus received. For example, individuals' savings in the form of life insurance are invested by the life insurance companies. Similarly, the process of debt repayment transfers funds from one group of investors to another. Also, the placing of funds in mutual savings banks<sup>10</sup> means that these institutions, rather than the original savers, are responsible for the ultimate decisions relating to the investment of such funds.

It is necessary to make allowances for such transfers of funds in analyzing liquid savings in terms of new funds available and the progress made in absorbing these funds in Federal securities. In the present analysis all of the transfers are followed through, and new funds available in the fiscal year 1945 are classified as between net investment in Federal securities and amounts placed in currency and commercial bank deposits.<sup>11</sup> Besides individuals, corporations, and State and local governments, three financial groups are analyzed, namely, Federal agencies and trust funds, insurance companies, and mutual savings banks. Following this, data are presented for commercial banks and Federal Reserve Banks.

Liquid savings of individuals amounted to \$44 billion in the fiscal year 1945, as was pointed out previously. The table following shows that \$14 billion of these savings was transferred to other recipient groups in the form of investments in private insurance, social insur-

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<sup>9</sup> See pp. 47 through 49.

<sup>10</sup> Mutual savings banks have been classified as nonbank investors—as against commercial banks and Federal Reserve Banks—because their operations do not result in the creation of credit; accordingly, they have been eligible also to participate in the purchase of securities in war loans, which were confined to nonbank investors beginning with the Third War Loan.

<sup>11</sup> Technically, savings made in the form of currency and commercial bank accounts also represent a transfer of funds from one investor group to another. Savings in the form of commercial bank deposits require the corollary purchase of Federal securities by commercial banks (and Federal Reserve Banks), while savings in currency require, with minor exceptions, the purchase of Federal securities by Federal Reserve Banks. These items are not treated here as transfers between investor groups, because they represent the particular kinds of savings which the war financing program is intended to minimize. Treating them as transfers would eliminate them from the base in measuring the progress made in war financing.



ance, savings bank deposits, and other items, including debt repayment. This left \$30 billion of new funds available. Of this total, individuals invested over \$13 billion in Federal securities during the fiscal year and increased their holdings of currency and commercial bank deposits by close to \$17 billion.

*Individuals:<sup>1</sup> Liquid savings and investment in Federal securities, fiscal year 1945*

[In billions of dollars]

	Amount
A. Relation of liquid savings to investment in Federal securities:	
1. Liquid savings of individuals.....	44
2. Less: Transfers to other investors:	
a. Private insurance.....	4
b. Social insurance.....	5
c. Savings bank deposits <sup>2</sup> .....	4
d. Other, including debt repayment <sup>3</sup> .....	1
e. Total transfers.....	14
3. Equals: New funds available.....	30
4. Less: Amounts placed in currency and commercial bank deposits.....	17
5. Equals: Net investment in Federal securities.....	13
B. Analysis of investment in Federal securities:	
1. Purchases from the Treasury:	
a. During war loans.....	16.2
b. Other.....	4.9
c. Total.....	21.0
2. Less: Liquidations through redemptions, cash maturities and market sales.....	7.6
3. Equals: Net investment in Federal securities.....	13.4

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Includes unincorporated business, partnerships, and personal trust accounts.

<sup>2</sup> Includes savings deposits in mutual savings banks, postal savings deposits, and savings and loan association shares.

<sup>3</sup> Includes net repayment of consumer debt, mortgage debt, farm and other unincorporated business debt, and debt incurred to purchase securities; also includes purchases of non-Federal securities, and an adjustment for discrepancies in reconciling detail.

The table indicates that individuals' net absorption of Federal securities was equivalent to 45 percent of new funds available from the current income flow in the fiscal year 1945. This compares with slightly more than 50 percent in the preceding fiscal year.<sup>12</sup> It should be borne in mind, however, that there were two complete war loans and a major part of a third in the fiscal year 1944, as compared with one full loan, a major part of another and a minor part of a third in the fiscal year 1945.

How should this ratio be interpreted as a measure of success in absorbing the funds of individuals and unincorporated business? It was noted in an earlier section that the largest part of the increase in money savings over the war period was necessary and desirable. This applies equally well to the situation for individuals in the fiscal year. Most of the factors behind savings in currency and commercial bank deposits appear to have been matters of savings preference or business practice rather than a temporary building up of cash for

<sup>12</sup> The figures in the annual report for 1944 have been revised to agree with changes in concept as used in the present report.

potential spending at the first opportunity. To the extent that these factors were operative, the need for immobilizing excess funds was lessened. On the other hand, some of the savings in money form represented undesirable tendencies insofar as funds were being held for spending opportunities or because of illegal transactions. It is obviously impossible to make precise statistical allowances for these various factors.

The lower part of the table on individuals analyzes the amounts they are estimated to have invested in Federal securities. Gross purchases of securities from the Treasury are listed first, divided between purchases made in war loans and other purchases from the Treasury. Allowance is then made for liquidations of securities through redemptions, cash maturities, and sales in the market to other investors. The major part of individuals' purchases from the Treasury in the fiscal year 1945 occurred during war loans.

As noted above, insurance companies and mutual savings banks both received considerable funds from individuals in the form of investments in life insurance and mutual savings banks accounts. These investors also received funds during the fiscal year 1945 from the liquidation of some of their assets, such as mortgage loans and non-Federal securities. Insurance companies also borrowed from banks during the year in order to increase their purchases of Federal securities. Both insurance companies and mutual savings banks have been investing practically all of their new funds available in Federal securities, and, as shown in the table following, nearly all of their purchases have occurred during war loans.

*Insurance companies and mutual savings banks: Liquid savings and investment in Federal securities, fiscal year 1945*

[In billions of dollars]

	Insurance companies	Mutual savings banks
A. Relation of liquid savings to investment in Federal securities:		
1. Liquid savings.....		
2. Plus: Transfers from other investors.....	5	2
3. Equals: New funds available.....	5	2
4. Less: Amounts placed in currency and commercial bank deposits.....	(*)	(*)
5. Equals: Net investment in Federal securities.....	5	2
B. Analysis of investment in Federal securities:		
1. Purchases from Treasury:		
a. During war loans.....	7.8	4.5
b. Other.....	(**)	(**)
c. Total.....	7.8	4.5
2. Less: Liquidations through redemptions, cash maturities, and market sales.....	2.4	2.2
3. Equals: Net investment in Federal securities.....	5.4	2.3

NOTE.—Figures are rounded and will not necessarily add to totals.

\*Less than \$500 million.

\*\*Less than \$50 million.

Other corporations and associations <sup>13</sup> had liquid savings of \$8 billion in the fiscal year 1945, of which about \$2 billion was transferred to other nonbank investors through net debt repayment and other transactions. Most of the remainder was invested in Federal securities, as shown in the table which follows.

It has been noted previously that liquid savings of State and local governments have been significant during the war period as the result of a surplus of current revenues over expenditures. As shown in the table that follows, these savings aggregated \$2 billion in the fiscal year 1945. Part of these liquid savings was used each year to reduce the amount of outstanding State and local debt. Table 96, on page 694, shows that State and local securities outstanding (other than in State and local sinking, trust, and investment funds) declined by about half a billion dollars during the year ended June 30, 1945. Practically all of the remaining funds available was invested in Federal securities.

Federal agencies and trust funds receive liquid savings as transfers from other investors, particularly individuals, through increases in postal savings deposits and in social insurance reserves, and through repayment of loans to Government corporations. Transfers of this kind provided Federal agencies and trust funds with \$6 billion in the fiscal year 1945. As shown in the following table, the funds received by Federal agencies and trust funds are fully absorbed by their net investment in Federal securities, except for insignificant variations in their currency and commercial bank accounts.

*All other nonbank investors: Liquid savings and investment in Federal securities, fiscal year 1945*

[In billions of dollars]

	Other corporations and associations <sup>1</sup>	State and local governments	Federal agencies and trust funds
A. Relation of liquid savings to investment in Federal securities:			
1. Liquid savings.....	8	2	-----
2. Plus: Transfers from other investors.....			6
3. Less: Transfers to other investors.....	2	(*)	-----
4. Equals: New funds available.....	6	2	6
5. Less: Amounts placed in currency and commercial bank deposits.....	2	(*)	.1
6. Equals: Net investment in Federal securities.....	4	2	6
B. Analysis of investment in Federal securities:			
1. Purchases from Treasury:			
a. During war loans.....	19.7	3.2	.1
b. Other.....	1.5	(**)	6.6
c. Total.....	21.2	3.2	6.7
2. Less: Liquidations through redemptions, cash maturities, and market sales.....	17.1	1.2	.9
3. Equals: Net investment in Federal securities.....	4.1	2.0	5.8

NOTE.—Figures are rounded and will not necessarily add to totals.

\*Less than \$500 million.

\*\*Less than \$50 million.

<sup>1</sup> Includes dealers and brokers and investments of foreign balances in this country.

<sup>13</sup> Excluding banks and insurance companies, but including savings and loan associations, dealers and brokers, nonprofit organizations, and the investments of foreign balances in this country.

The following summary table shows the gross purchases <sup>a</sup> and net absorption of Federal securities in the fiscal year 1945 for commercial banks and Federal Reserve Banks together and for all nonbank investors combined.

*Investment in Federal securities by banks and nonbank investors, fiscal year 1945*  
[In billions of dollars]

	Banks <sup>1</sup>	Nonbank investors	Total
1. Purchases from Treasury:			
a. During war loans.....		51.4	51.4
b. Other.....	5.2	13.1	18.3
c. Total.....	5.2	64.4	69.6
2. Less: Liquidations through redemptions, cash maturities, and market sales.....	<sup>2</sup> -17.4	31.3	13.9
3. Equals: Net investment in Federal securities.....	22.6	33.1	55.7

Note.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Comprises commercial banks and Federal Reserve Banks.

<sup>2</sup> Negative figure signifies excess of market purchases over liquidations through redemptions and cash maturities.

The table shows that nonbank investors as a group absorbed \$33 billion of Federal securities in the fiscal year 1945. Gross purchases from the Treasury by nonbank investors in the fiscal year 1945 consisted of \$51 billion of purchases in war loans, and \$13 billion of other purchases, or \$64 billion in all. Liquidations of Federal securities by nonbank investors aggregated \$31 billion, including cash maturities of marketable issues, redemptions of savings bonds and savings notes, and sales in the market. Commercial banks and Federal Reserve Banks absorbed \$23 billion of Federal securities during the fiscal year 1945, partly purchased directly from the Treasury and partly acquired in the market. This bank absorption of \$23 billion amounted to 41 percent of net Federal borrowing during the year.

### IMPACT OF TREASURY FISCAL OPERATIONS ON THE ECONOMY IN THE WAR YEARS

In the five fiscal years from July 1, 1940—when the defense program may be said to have begun—through June 30, 1945, the Federal Government spent in all \$323 billion,<sup>1</sup> of which \$290 billion was directly for national defense and for war. Of the remaining \$33 billion, \$17 billion was for items indirectly connected with the war—interest on the public debt, veterans' benefits, and tax refunds—with the remaining \$16 billion covering mostly the regular costs of government.

As against \$323 billion of expenditures, net budgetary receipts of the Federal Government (mostly from taxes) were \$133 billion, leav-

<sup>a</sup> Throughout this series of tables, Treasury bills and special issues to Federal agencies and trust funds are included as part of gross purchases from the Treasury on the basis of net increases in amounts outstanding.

<sup>1</sup> Budgetary expenditures plus net outlays of Government corporations.



ing a deficit of \$190 billion. This deficit was financed mainly by war loans and a regular payroll savings program as well as by offerings of securities in the market in the early part of the period.

The tremendous importance of Government buying in the market place during the war period is evident from the fact that Federal Government spending accounted for \$323 billion out of aggregate spending of \$833 billion during the five-year period. These figures show that the Government accounted for close to 40 percent of the aggregate spending taking place throughout the country. The remaining \$510 billion of spending was accounted for by \$428 billion of spending by consumers, \$41 billion by business for capital goods, and \$41 billion by State and local governmental units.

The Federal Government's share of total spending in this war reached a peak of almost 50 percent in the fiscal year 1945 when Treasury outlays accounted for \$100 billion out of \$211 billion total spending. This contrasts sharply with World War I when the Federal Government accounted for a maximum of only about one-fourth of aggregate market spending, with the other three-fourths coming from consumers, business, and State and local governments. In the fiscal year 1919—the peak year of Federal spending in World War I—total expenditures in this country amounted to about \$75 billion, of which the Federal Government accounted for a little under \$19 billion.

It is obvious from these figures that the difference in the financing job in this war was not only one of size but one of kind. When the Government takes over such a large proportion of our output to fight a total war the economic effects become important all along the line. The figures merely point out the tremendous contrast between the financing problems of World War I and World War II.

There is another side to the \$833 billion of total spending during the five-year period. It is axiomatic that aggregate spending in the country is equal to aggregate income. The head of the coin is the \$833 billion of spending while the other side is the \$833 billion of income flow. It should be noted that this is a gross income flow since it includes such items as funds flowing into business reserves as well as net income in the usual sense.<sup>2</sup>

Who received this gross income flow? The Federal Government received in taxes \$133 billion, or about 15 percent of the total income flow, and State and local governments received about \$49 billion. Of the remaining \$651 billion of income after taxes, about 90 percent was distributed to individuals and 10 percent to corporations. Corporations are here treated as a conduit and only the new funds remaining in their hands over the five-year period are counted as being received by them. The corporate income items thus consist of re-

<sup>2</sup> For further detail concerning the \$833 billion of spending and income flow, see the table at the end of this section.



tained earnings plus accretions in reserves, such as depreciation and depletion accounts, over and above what was invested in new capital goods—plant, equipment, and inventories. The income flow to individuals includes dividends received from corporations.

These figures indicate an important relationship when stated in another way. The Federal Government spent \$323 billion and received in taxes \$133 billion, leaving a deficit of \$190 billion. Individuals and corporations spent \$469 billion but had income after taxes of \$651 billion. The result was a surplus of \$182 billion, and if the \$8 billion surplus of State and local governments is added an exact correspondence with the \$190 billion Federal deficit is obtained.

One of the major goals of Treasury financing was to try to channel back into the Treasury as much as possible of this \$190 billion which people were accumulating as a result of the Federal deficit. It was important that every means possible be taken to persuade people to hold these funds rather than to attempt to spend them, for such an attempt on a large scale would have meant inflation. Direct controls on production, wages, prices, etc., operated on one front to dam up these funds but the Treasury had to operate on another front to see that the funds remained saved. The best way to accomplish this was to get as much as possible of these funds into Government securities.

In analyzing the results of this program, it is convenient to examine the three major forms of liquid assets held by all nonbank investors combined, namely, currency, commercial bank deposits, and Federal securities. These are the significant ways in which the Federal deficit manifested itself. Because of various minor transactions in the economy,<sup>3</sup> the total increase in nonbank holdings of these major liquid assets during the five-year period was actually \$189 billion, rather than the \$190 billion deficit.

The following table presents data on the major forms of liquid assets held by all nonbank investors combined as of June 30, 1940, and June 30, 1945. As already noted, the figures in the table below represent the holdings of each of the indicated types of liquid assets by all nonbank investors combined. The figures shown for holdings of Federal securities are further classified on page 49 of this report to show holdings by each of the separate categories within the broad nonbank investor group.

Of the \$189 billion increase in liquid assets over the five-year period, \$121 billion was placed in Federal securities. Thus, about two-thirds of the \$189 billion of new funds was placed directly in Federal securities and one-third in money savings—that is, currency and commercial bank deposits.

<sup>3</sup> These three major forms of liquid assets may be increased by an expansion of private bank loans and investments other than Federal securities or by an increase in the Nation's monetary stock of gold, or silver, quite apart from the effect of the Federal deficit. On the other hand, part of the Federal deficit may be met from such items as the receipts of Federal trust and miscellaneous funds without any change in the three major forms of liquid assets.

*Major forms of liquid assets of all nonbank investors, June 30, 1940 and 1945*

	Dollar amounts (In billions of dollars)		Percentage analysis	
	June 30, 1940	June 30, 1945	June 30, 1940	June 30, 1945
A. "Money savings":				
1. Currency <sup>1</sup> -----	6.8	25.1	8.0	6.1
2. Commercial bank deposits:				
a. Demand <sup>2</sup> -----	33.9	71.7	39.6	26.1
b. Time-----	15.5	27.2	18.1	9.9
c. Total-----	49.4	98.9	57.7	36.0
3. Total "money savings"-----	56.2	124.0	65.7	45.1
B. Federal securities-----	29.3	150.8	34.3	54.9
C. Total-----	85.5	274.8	100.0	100.0

<sup>1</sup> Money in circulation, less currency held by commercial banks.

<sup>2</sup> Demand deposits in all active commercial banks in the continental United States of (1) individuals, partnerships, and corporations (including insurance companies), (2) State and local governments, and (3) mutual savings banks.

The one-third placed in money savings in turn resulted in a corresponding amount of absorption of Federal securities by the banking system. Because individuals and businesses chose to place one-third of their new savings in currency and commercial bank deposits, commercial banks and Federal Reserve banks absorbed Federal securities of an equivalent amount. Over the five-year period the banks, accordingly, absorbed \$68 billion of Federal securities to match the growth of currency and commercial bank deposits. They absorbed also an extra \$19 billion of Federal securities as a result of other factors, the most important of which was the growth of the Treasury's cash balance.

Coming back to this \$68 billion of money savings over the five-year period, why did the people of this country make the collective decision to place this much in cash rather than to invest even more in Federal securities than they did? Unfortunately, there is no way to determine with any precision how much par should have been for the amount placed in Federal securities or, vice versa, what should have been par for money savings under the circumstances. Several observations may be made, however, with respect to the factors bearing on these questions.

First of all, there is the question of currency. Out of \$68 billion of savings going into money forms, currency accounted for \$18 billion. While this is a big increase, it must be seen in perspective to be understood. The major forms of liquid assets held by all nonbank investors combined have increased from \$85 billion in the middle of 1940 to \$275 billion at the end of the Seventh War Loan. As a proportion of these totals for liquid assets, currency has been remarkably stable—accounting for 8 percent of the total in June 1940 and 9 percent of the total in June 1945. In World War I this same stability occurred in the proportion of liquid assets held in the form of currency, the figures running from 7½ percent to 9½ percent in that war.

It must be remembered that during World War II the distribution of income was significantly altered so that millions of families, formerly on a subsistence level or even below, received adequate and decent incomes for the first time in their lives. Naturally, they increased their holdings in currency—from a figure of approximately zero to something running up to, perhaps, several hundred dollars in some cases. In Treasury surveys some people have stated frankly that they derived a sense of security and comfort from having a considerable supply of currency.

Another factor bearing on the currency increase was, of course, that the level of business was so much higher than ever before that all along the line it was necessary to have more currency to carry on transactions.

A third factor was that banking has not always been convenient for many people, either because of odd working hours or because of a lack of nearby banking facilities, particularly in communities where industrial growth was most striking.

Finally, there have been, of course, the motives of tax evasion and black markets. Some part of the currency outflow has been due to these illegal activities, but it is believed that this has been a relatively small factor in the currency growth.

From the standpoint of selling war bonds, these explanations of the currency outflow are important because most of the people who absorbed this currency also bought bonds. A total of 85 million people have purchased Series E bonds and it is doubtful that very many of those who have not bought bonds hold much of the currency either. What has happened is that people have both bought bonds and acquired currency, and so long as the currency has been legitimately needed it is not inconsistent with the campaign for new savings to avoid inflationary pressures.

Subtracting the \$18 billion growth of currency, the remainder of the \$68 billion of money savings consisted of a \$50 billion increase in commercial bank accounts. What should be concluded with regard to the motivation of people in wanting this particular increase in the money supply? It is known first of all that about \$38 billion of this increase was in demand deposits and about \$12 billion in time deposits.

In the case of demand deposits, corporations and associations accounted for about 40 percent of the increase, or about \$16 billion. These were not inflationary funds but rather, for the most part, were needed increases in working capital and funds set aside for reconversion. In addition, for various reasons corporations were accumulating temporary reserves which they preferred to keep to a considerable extent in readily available cash.

Another large part of the increase in demand deposits is accounted for by unincorporated businesses and farmers, which in many cases were faced with the same need for larger working capital as corpora-



tions. About \$10 billion of the demand deposits accumulated by individuals during the period should be credited to these investors, mostly as business accounts. In addition, State and local governments acquired about \$2 billion of demand deposits over the period, while insurance companies and savings banks actually reduced their deposits by nearly a billion dollars in the five years. This leaves only about \$11 billion of the increase in demand deposits to be credited to the broad group of wage earners, professional people, etc. Some of this is certainly inflationary money, but a large part is definitely in the class of legitimate savings.

On balance, it is clear from these figures that only a relatively small part of the \$38 billion increase in demand deposits is dangerous money in the inflationary sense.

The growth of time deposits in commercial banks is probably to be explained mostly by the word "diversification." Treasury surveys have indicated that many people want to spread their savings among different forms. They feel that they have done their duty in the war bond program by investing more than 10 percent under payroll plans and by participating in the purchase of extra bonds in each war loan. In too many cases, Treasury goals have thus become "psychological ceilings" to many people, and they have been difficult to penetrate. In any event, savings over and above the amounts invested in bonds are spread around partly into currency, partly into demand deposits, and partly into time deposits. It is true, however, that some part of the funds placed in time deposits is just as inflationary as some of the currency or demand deposits. The psychology varies with each depositor.<sup>4</sup>

Thus the inflationary dollars involved in the \$68 billion of money savings made over the 5-year period represent a fairly small proportion of the total. Some part of each of the categories of money savings is definitely inflationary, but it is believed that in each case the largest part of the funds placed in cash forms represents legitimate savings.

In other words, in absorbing \$121 billion out of \$189 billion of new funds, the Treasury probably came close to absorbing the optimum amount of funds, even though the results naturally have not been perfect. It is also realized that even Government securities are not completely foolproof in preventing inflation, since bonds can be redeemed or they can be sold in the market. In most cases, however, bonds represented a dedication of funds to the war effort and were thus an important contribution to the control of inflationary pressures.

The following table presents detailed figures by fiscal years on the \$833 billion of total spending and income flow in this country during

<sup>4</sup> Figures for increases in deposits in savings banks have not been cited separately because savings banks have been treated as part of the composite group of nonbank investors in the figures used, and it would be double counting to take up their deposits on the one hand and also to include their purchases of Government securities with other nonbank purchases on the other hand. Deposits in savings banks increased by close to \$4 billion over the 5-year period; the purchases of Government securities made by savings banks as they invested these funds are included in the figures previously mentioned for nonbank absorption of Federal securities.

*Federal fiscal activities and the gross income flow, fiscal years 1941 through 1945*<sup>1</sup>

[In billions of dollars]

	1941	1942	1943	1944	1945	Total 5 years
A. Federal deficit:						
1. Expenditures: <sup>2</sup> .....	14	34	80	95	100	323
2. Less: Taxes <sup>3</sup> .....	8	13	22	44	46	133
3. Equals: Deficit .....	6	21	57	51	54	190
B. Creation of gross income flow:						
1. Federal expenditures .....	14	34	80	95	100	323
2. State and local government expenditures .....	9	8	8	8	8	41
3. Business expenditures for capital goods .....	17	17	2	2	3	41
4. Expenditures for consumers' goods and services .....	69	78	87	94	100	428
5. Total expenditures, resulting in equivalent gross income flow .....	109	137	177	199	211	833
C. Uses of gross income flow:						
1. Gross income flow .....	109	137	177	199	211	833
2. Less: Federal taxes <sup>3</sup> .....	8	13	22	44	46	133
3. Less: State and local taxes .....	9	10	10	10	10	49
4. Equals: Private disposable income .....	92	114	145	146	155	651
5. Less: Private spending .....	86	94	89	96	103	469
6. Equals: Private liquid savings .....	5	20	56	49	52	182
7. Plus: State and local surplus .....	1	1	2	2	2	8
8. Equals: Total liquid savings (equal to Federal deficit) .....	6	21	57	51	54	190
D. Sources of growth of major liquid assets of nonbank investors:						
1. Total liquid savings .....	6	21	57	51	54	190
2. Less: Adjustment for other factors affecting major liquid assets <sup>4</sup> .....	5	1	-3	(*)	-2	-1
3. Equals: Increase in major liquid assets of nonbank investors .....	11	22	54	51	52	189
E. Composition of increase in major liquid assets of nonbank investors:						
1. Currency .....	1	3	5	5	4	18
2. Commercial bank deposits:						
a. Demand deposits .....	6	5	14	4	9	38
b. Time deposits .....	(*)	(*)	2	4	6	12
3. Subtotal for currency and commercial bank deposits .....	8	7	21	13	19	68
4. Federal securities .....	4	15	32	38	33	121
5. Total increase in major forms of liquid assets of nonbank investors .....	11	22	54	51	52	189
F. Sources of bank absorption of Federal securities:						
1. Increase in currency and commercial bank deposits held by nonbank investors .....	8	7	21	13	19	68
2. Plus: Increase in Treasury General Fund balance .....	1	(*)	7	11	5	23
3. Plus: Increase in other bank liabilities less increase in bank assets other than Federal securities .....	-5	-1	3	(*)	-1	-3
4. Equals: Bank investment in Federal securities .....	3	7	31	24	23	87
G. Increase in Federal interest-bearing securities outstanding, classified by bank and nonbank investor groups:						
1. Bank absorption .....	3	7	31	24	23	87
2. Nonbank absorption .....	4	15	32	38	33	121
3. Total increase .....	7	22	63	62	56	209

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>\*</sup>Less than \$500 million.<sup>1</sup> Further details are available in another section of this report, which discusses the sources of funds for Federal borrowing in the fiscal year 1945; see page 72.<sup>2</sup> Includes net outlays of Government corporations.<sup>3</sup> Net budgetary receipts.<sup>4</sup> Such as (1) increase in bank loans, (2) increase in monetary stock of gold and silver, (3) net Federal receipts from trust and miscellaneous funds, etc.



the last five fiscal years, together with analytical data on liquid savings, the growth of major forms of liquid assets held by nonbank investors, and the corresponding effects on absorption of Federal securities by bank and nonbank investors, respectively.

#### **SECURITIES ISSUED BY GOVERNMENT CORPORATIONS AND CREDIT AGENCIES**

During the fiscal year 1945 the Treasury continued the policy announced in October 1941 under which funds needed by Government corporations are provided by the Treasury instead of by the sale of guaranteed securities in the open market. In addition, Treasury facilities continued to be extended for servicing their obligations. The provisions of law authorizing corporations and agencies to issue securities guaranteed by the United States have placed certain limits with respect to the total amounts that may be issued. During the year, however, legislation was enacted which extended the power of both the Federal Housing Administration and the Reconstruction Finance Corporation to issue guaranteed obligations.

As a result of the Treasury's policy of providing funds required by certain Government corporations, there was a considerable decrease in the contingent liabilities of the Government on account of outstanding market issues of their obligations which are guaranteed as to principal and interest, and an appreciable increase in the amount of securities of such corporations held directly by the Treasury. No issues of guaranteed obligations were sold in the open market during the year. The Commodity Credit Corporation, however, following approval by the Treasury, borrowed from commercial banks to finance certain commodity purchase programs which are handled by such banks for account of the Corporation. The Federal Housing Administration also continued to issue debentures in accordance with the terms of its insurance contracts.

Securities of Government corporations held directly by the Treasury and reflected in the public debt increased from \$10,717 million as of June 30, 1944, to \$12,169 million as of June 30, 1945. The contingent liabilities of the Government on account of outstanding unmatured obligations in the hands of the public decreased from \$1,659 million on June 30, 1944, to \$484 million on June 30, 1945. A detailed statement of the securities held by the public and those held by the Treasury as of June 30, 1945, will be found in table 53 and footnote 1 on page 604. The net changes during the year are shown in the table that follows.

*Comparison of obligations guaranteed by the United States outstanding June 30, 1944 and 1945, by agencies*

[In millions of dollars. On basis of daily Treasury statements, see p. 437.]

	June 30, 1944	June 30, 1945	Increase or decrease (—)
Issues held by the Treasury and reflected in the public debt:			
Commodity Credit Corporation.....	900	1,591	691
Federal Farm Mortgage Corporation.....	366	108	—258
Federal Public Housing Authority.....	398	383	—15
Home Owners' Loan Corporation.....	580	1,010	430
Reconstruction Finance Corporation.....	8,416	9,020	603
Tennessee Valley Authority.....	57	57	-----
Total.....	10,717	12,169	1,451
Public issues:			
Unmatured obligations:			
Commodity Credit Corporation.....	1,704	1,450	—254
Federal Housing Administration:			
Mutual mortgage insurance fund.....	9	8	(*)
Housing insurance fund.....	13	10	—4
War housing insurance fund.....	2	16	14
Home Owners' Loan Corporation.....	755	-----	—755
Reconstruction Finance Corporation.....	176	-----	—176
Subtotal, unmatured obligations <sup>2</sup> .....	1,659	484	—1,174
Matured obligations, all agencies.....	107	24	—83
Matured interest, all agencies.....	2	1	—1
Total.....	1,769	510	—1,259
Grand total.....	12,486	12,678	192

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$500,000.

<sup>1</sup> Includes amounts of demand obligations outstanding which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year.

<sup>2</sup> Exclusive of \$4 million of obligations issued on the credit of the United States by the Tennessee Valley Authority and held by the Reconstruction Finance Corporation.

Redemptions of guaranteed obligations were accomplished through Treasury facilities as follows: Commodity Credit Corporation 1½ percent Series G notes and Home Owners' Loan Corporation 1½ percent Series M bonds were redeemed in cash by the issuing agencies which obtained the necessary funds by selling other issues to the Treasury. In addition, the Treasury repurchased Reconstruction Finance Corporation notes which had been transferred to Government corporations as a temporary medium for investment.

Federal Housing Administration debentures of all types outstanding on June 30, 1944, amounted to \$23,550,036, issues during the year totalled \$14,139,950, and redemptions aggregated \$3,759,450, making \$33,930,536 outstanding at the end of the fiscal year 1945, or a net increase of \$10,380,500. The debentures were redeemed pursuant to calls of the Federal Housing Commissioner, and instructions issued by the Secretary of the Treasury on March 30, 1944, and October 4, 1944.

Copies of the instructions issued during the fiscal year 1945 may be found as exhibits beginning on page 334, and those issued in the fiscal year 1944 in the annual report for that year. The transactions for which Treasury facilities were used to service maturities and redemptions of guaranteed market securities during the year are shown in the table on page 607.

The provisions of law authorizing agencies to issue obligations guaranteed by the United States have placed certain limits with respect

to the total amounts that can be issued. This legislation with respect to the limitations established may be placed in three groups as follows:

(1) *Definite limitation*.—Provisions stating a specific amount of obligations which may be (a) issued, or (b) issued and outstanding at any specified time. When the legislative authority provides only for the issue of obligations, the agency may issue obligations in a definite amount, but after they have been retired may not issue new obligations to replace them. Under the second provision, the agency may reissue obligations provided the total amount outstanding does not exceed the authorized limit.

(2) *Indirect limitation*.—Provisions not stating a specific amount of obligations that may be issued and outstanding at any one time, but the amount issued and outstanding is contingent upon specific limiting factors. As a result there is an indirect limit upon the amount which may be issued and outstanding at any one time.

(3) *No specific limitation*.—Provisions not stating a specific amount of obligations which may be issued or issued and outstanding at any one time, but the amount is contingent upon other specific factors, the amount of such factors also being indefinite.

Provisions of law enacted during the year extended the power of the Federal Housing Administration to issue guaranteed obligations. Under the act of March 31, 1945 (Public Law 27), the authority of the Federal Housing Administration to insure the principal amount of mortgages under Title VI of the National Housing Act, as amended, was increased by \$100 million. The aggregate amount of principal obligations of all mortgages insured by the Federal Housing Administration is now limited to \$5,800 million, which may be increased by an amount not exceeding \$1,000 million with the approval of the President. In addition, the Commissioner is authorized to incur total liabilities not exceeding \$165 million under Title I of the National Housing Act, as amended, for insured renovation and modernization loans.

The legislation increasing the power of the Reconstruction Finance Corporation to issue guaranteed obligations during the year included the acts of June 28, 1944 (Public Law 367), and May 5, 1945 (Public Law 52). As a result of this legislation and transactions under previously enacted legislation, the borrowing power of the Corporation was changed. The amount of obligations which it was authorized to issue as of June 30, 1945, amounted to \$17,091 million, including the amounts outstanding under indefinite authorizations, a net increase of \$88 million since June 30, 1944. The net increase resulted from the changes shown in the table which follows. In this connection it may be pointed out that in the table the only items actually reflecting changes in borrowing power in other than an accounting sense are the two listed under loans to the Secretary of

Agriculture. The others are a matter of presentation and reflect transactions under existing authorizations.

## INCREASES

For loans to Secretary of Agriculture, acts of June 28, 1944 (Public Law 367), and May 5, 1945 (Public Law 52):

	Amount
For loans in accordance with Title I of the Bankhead-Jones Farm Tenant Act.....	\$65,000,000
For additional funds for rural rehabilitation loans.....	135,000,000
For loans in accordance with Sec. 7 of the Rural Electrification Act.....	105,000,000
Total increases.....	305,000,000

## DECREASES

Subscriptions to preferred stock in national banks, State banks, or trust companies (48 Stat. 6; 12 U. S. C. 51-d).....	55,714,860
Obligations of the Reconstruction Finance Corporation canceled by the Secretary of the Treasury pursuant to act of Feb. 24, 1938, on account of expenditures for:	
Regional agricultural credit corporations—expenses.....	540,000
Repayment of loans to Secretary of Agriculture for farm tenancy and rural rehabilitation.....	160,764,119
Total decreases.....	217,018,979
Net increase.....	87,981,021

The table that follows shows, by agencies, the amounts of obligations authorized to be outstanding as of June 30, 1945, and the amounts actually outstanding on that date.

*Borrowing power and outstanding issues of Government corporations and credit agencies whose obligations are guaranteed by the United States, June 30, 1945*

[In millions of dollars]

Agency	Borrowing power	Outstanding obligations			
		Total	Held by Treasury	Held by others <sup>1</sup>	
				Unmatured	Matured <sup>2</sup>
I. Agencies issuing obligations for cash or in exchange for mortgages:					
Commodity Credit Corporation-----	4,750	2,041	1,591	<sup>3</sup> 450	(*)
Federal Farm Mortgage Corporation-----	2,000	116	108	-----	8
Federal Public Housing Authority-----	<sup>4</sup> 800	333	333	-----	(*)
Home Owners' Loan Corporation-----	<sup>4</sup> 4,750	1,026	1,010	-----	16
Reconstruction Finance Corporation-----	17,090	9,020	9,020	-----	(*)
Tennessee Valley Authority-----	<sup>5</sup> 62	<sup>5</sup> 57	57	-----	-----
Subtotal-----	29,452	12,643	12,169	450	24
II. Agencies issuing obligations only in payment of defaulted and foreclosed insured mortgages:					
Federal Housing Administration-----	<sup>6</sup> 5,965	34	-----	34	-----
U. S. Maritime Commission-----	<sup>7</sup> 200	-----	-----	-----	-----
Subtotal-----	6,165	34	-----	34	-----
Total-----	35,617	12,677	12,169	484	24

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>\*</sup> Less than \$500,000.

<sup>1</sup> Excludes matured interest, all agencies, in amount of \$1 million.

<sup>2</sup> Funds have been deposited with the Treasurer of the United States for payment of all obligations guaranteed by the United States, representing outstanding matured principal of \$24 million and interest of \$1 million.

<sup>3</sup> Includes amounts of demand obligations outstanding which had not been reported in time for inclusion in the statement published in the daily Treasury statement for July 2, 1945.

<sup>4</sup> This is a limitation on issues and the amount may be increased only by the amount of issues for refunding purposes.

<sup>5</sup> Exclusive of \$4 million issued on the credit of the United States and held by the Reconstruction Finance Corporation.

<sup>6</sup> Limit of authority to insure mortgages. This amount may be increased by \$1,000 million upon approval by the President. Debentures may be tendered and issued only in exchange for insured property acquired through foreclosure.

<sup>7</sup> Limit which may be outstanding at any one time with respect to the insuring of ship mortgages.



## GENERAL FUND

The General Fund includes all moneys of the Government deposited with and held by the Treasurer of the United States, including the moneys covered into the Treasury which can be withdrawn only in pursuance of an appropriation by Congress. Every receipt of the Treasury, from whatever source, and every expenditure, of whatever nature, affect either the assets or liabilities, or both, of the General Fund shown in the daily statement of the Treasury. The total amount of the assets over and above the total amount of the liabilities represents the balance in the General Fund available to meet Government expenditures for general, special, and trust accounts, etc.

The assets in the General Fund consist of gold, silver, currency, coin, unclassified collection items, etc., and deposits to the credit of the Treasurer of the United States in Federal Reserve Banks, special depositories, national and other bank depositories, foreign depositories, and the treasury of the Philippine Islands.

The liabilities of the General Fund consist of outstanding Treasurer's checks, deposits of certain Government officers composed of balances to the credit of the Post Office Department, the Board of Trustees of the Postal Savings System, and postmasters' disbursing accounts, etc., and uncollected items, exchanges, etc.

The balance in the General Fund was classified during the fiscal year 1945 according to increment on gold, seigniorage, and working balance.

The net change in the balance of the General Fund from the beginning to the close of the fiscal year is accounted for as follows:

*Analysis of the change in the General Fund balance between June 30, 1944, and June 30, 1945*

[On basis of daily Treasury statements, see p. 437. For a description of accounts through which Treasury transactions are effected, see p. 438]

Balance June 30, 1944.....		\$20, 168, 551, 622. 30
Add:		
Receipts, net <sup>1</sup> , general and special accounts.....	46, 456, 554, 579. 71	
Receipts, trust accounts, etc.....	<sup>2</sup> 7, 058, 610, 910. 39	
Net increase in gross public debt.....	57, 678, 800, 188. 80	
		<hr/> 131, 362, 517, 301. 20
Deduct:		
Expenditures, general and special accounts.....	\$100, 404, 596, 685. 54	
Less statutory debt retirements (sinking fund, etc.).....	2, 000. 00	
	<hr/> 100, 404, 594, 685. 54	
Expenditures, trust accounts, etc.....	<sup>2</sup> 6, 260, 193, 263. 91	106, 664, 787, 949. 45
Balance June 30, 1945.....		<hr/> 24, 697, 729, 351. 75

<sup>1</sup>Exclusive of employment taxes collected and deposited as provided under Sec. 201 (a) of the Social Security Act Amendments of 1939 less reimbursements to the General Fund for administrative expenses. Such net amount is included in "Trust accounts, etc." on the following line.

<sup>2</sup> Differs from corresponding figure shown on the daily Treasury statement for June 30, 1945, because of adjustment in classification.

A comparative analysis of the assets and liabilities and the balance of the General Fund is shown as of June 30, 1944 and 1945, in the table on page 612 of this report.



# SECURITIES OWNED BY THE UNITED STATES AND PROPRIETARY INTEREST IN GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

## Securities owned

On June 30, 1945, the United States owned securities consisting of capital stock, bonds, etc., of Government corporations and agencies and indebtedness to the Government by railroads, farmers, ship-owners, and others, in the net face amount of \$14,908 million; and obligations of foreign governments in the principal amount of \$12,660 million. A statement of the securities owned, exclusive of foreign obligations, at the end of the fiscal year 1945 is shown in the table on page 616. An explanation of the increase or decrease of such securities during the fiscal year 1945 is shown in the table on page 619. A summary of the holdings of securities at the end of the last two fiscal years is shown in the following table:

### Summary of securities owned by the United States Government, exclusive of foreign obligations, June 30, 1944 and 1945

Security	June 30, 1944	June 30, 1945	Increase or decrease (—)
Capital stock of Government corporations.....	\$2,099,634,942.52	\$2,096,713,296.35	—\$2,921,646.17
Paid-in surplus of Government corporations.....	136,096,791.06	70,773,772.55	—65,323,018.51
Bonds and notes of Government corporations.....	10,717,259,623.79	12,168,701,623.79	1,451,442,000.00
Other securities.....	1,237,280,877.24	1,374,113,126.55	136,832,249.31
Total all securities.....	14,190,272,234.61	15,710,301,819.24	1,520,029,584.63
Less interagency ownership:			
Capital stock.....	461,091,000.00	460,859,900.00	—231,100.00
Paid-in surplus.....	1,000,000.00	1,000,000.00	—
Other securities.....	407,547,146.16	340,694,842.40	—66,852,303.76
Total interagency ownership.....	869,638,146.16	802,554,742.40	—67,083,403.76
Net securities owned.....	13,320,634,088.45	14,907,747,076.84	1,587,112,988.39

<sup>1</sup> Includes loans and advances by Farm Security Administration, Rural Electrification Administration, Federal Works Agency, etc.

In accordance with the act approved February 24, 1938 (52 Stat. 79), the Secretary of the Treasury canceled during the year obligations of the Reconstruction Finance Corporation amounting to \$.5 million, representing certain expenditures previously made by the Corporation. This brought the total of the obligations of the Reconstruction Finance Corporation canceled to \$2,785 million, as shown in the following table:

Reconstruction Finance Corporation:	Amount
Obligations canceled to June 30, 1944.....	<sup>1</sup> \$2,784,327,007.21
Obligations canceled during 1945 on account of expenditures for—	
Expenses of regional agricultural credit corporations (Sec. 201 (e) of Emergency Relief and Construction Act of 1932; Sec. 33 of Farm Credit Act of 1937).....	540,000.00
Total to June 30, 1945.....	2,784,867,007.21

<sup>1</sup> For detail of cancellations, see annual reports for fiscal years 1944, p. 94; 1943, p. 113; 1942, p. 41; 1941, p. 51; and 1940, pp. 114–115.

*Proprietary interest in Government corporations and agencies*

In order to show the amount of the Government's interest in Government corporations and certain agencies, the Treasury compiles from reports received from such corporations and agencies statements of assets, liabilities, and proprietary interest, which are published in the daily Treasury statement. (See page 645.) These statements show the amount and classification of the assets and liabilities of the various corporations and agencies, the privately owned proprietary interest in corporations, and proprietary interest of the United States.

**MONETARY DEVELOPMENTS***International monetary cooperation*

*Stabilization agreements.*—In accordance with a long-established policy of cooperation with friendly foreign governments in the stabilization of their currencies, the Treasury continued operations under existing stabilization and monetary agreements during the fiscal year 1945. Agreements previously made with Ecuador, Mexico, and Cuba were extended. Special wartime arrangements were entered into in certain other cases.

Under an existing stabilization agreement between the United States and Brazil originally entered into on July 15, 1937, for a 5-year period and later extended until July 15, 1947, the United States stabilization fund undertakes to purchase Brazilian cruzeiros to an amount of \$100 million for the purpose of stabilizing the United States dollar-Brazilian cruzeiro exchange rate. In addition the United States Government undertakes to sell gold to the Government of Brazil up to a total amount of \$300 million.

On October 9, 1944, the stabilization agreement of March 1, 1942, between the United States and Ecuador was extended, as of June 30, 1944, through June 30, 1945. Under this agreement the United States stabilization fund undertook to purchase up to \$5 million of Ecuadoran sucres for the purpose of stabilizing the United States dollar-Ecuadoran sucre exchange rate. Provision for renewal of this agreement had not been made by the close of fiscal year 1945.

On June 13, 1945, the stabilization agreement of November 1, 1941, between the United States and Mexico was extended for 2 years to June 30, 1947. Under this agreement the United States stabilization fund undertakes to purchase Mexican pesos up to an amount of \$40 million for the purpose of stabilizing the United States dollar-Mexican peso exchange rate. (See exhibit 34, p. 339.)

Also on June 13, 1945, the gold sale agreement of July 6, 1942, between the United States and Cuba, under which the Government of the United States undertakes to sell gold to the Government of Cuba from time to time with payment to be made in dollars within

120 days from the date of the sale of the gold, was extended for 4 years to June 30, 1949. Under this agreement the unpaid-for amount is not at any time to exceed \$5 million. (See exhibit 35, p. 339).

In August 1943, the British Treasury, having decided to start sales of gold in India for the double purpose of combating inflation and of obtaining local currency for their military expenditures in India, invited the United States Treasury to participate in this program. Since this arrangement afforded an opportunity to cooperate with India and the United Kingdom in checking inflation and also to acquire readily and at a low cost rupees needed for United States military expenditures in India, the Treasury accepted this invitation. The program was subsequently extended for a time to the Middle East to provide Egyptian pounds and Iranian rials by sales of gold in Egypt and Iran. The United States Treasury's participation in the program was terminated in April 1945, since our military needs for the currencies of these countries had been completely met by that time.

Throughout the period from January 1944 through June 30, 1945, the stabilization fund cooperated in arrangements whereby Swiss francs were made available for governmental and humanitarian purposes. Thus undesirable disturbances in the United States dollar-Swiss franc rate were avoided.

The assets and liabilities of the exchange stabilization fund as of June 30, 1944 and 1945, with supporting schedules, are shown in the table beginning on page —.

*Bretton Woods agreements.*—At the invitation of President Roosevelt, delegates from 44 nations attended the United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, from July 1 through July 22, 1944. The Conference under the leadership of Secretary Morgenthau fulfilled the purpose for which it was called in formulating definite proposals for an international monetary fund and an International Bank for Reconstruction and Development which were embodied in the final act of the Conference. The articles of agreement of the fund and the bank were submitted by the Conference for consideration by the participating governments. (See exhibit 36, p. 340.)

On February 15, 1945, identical bills designated as S. 540 and H. R. 2211 were introduced in the Senate and the House of Representatives, respectively, to provide for the participation of the United States in the international monetary fund and the International Bank for Reconstruction and Development. Hearings on H. R. 2211 were held before the House Committee on Banking and Currency on various dates from March 7 through May 11, 1945. The bill in final form, having been passed by the House of Representatives on June 7,

1945, was referred to the Senate Committee on Banking and Currency on June 8. Hearings on this bill were held before the Senate Committee from June 12 through June 28. With a few minor amendments, it was passed by the Senate on July 19, 1945, and on the following day the House unanimously concurred in the Senate's amendments. The Bretton Woods Agreements Act was signed by President Truman on July 31, 1945. (See exhibit 39, p. 382.)

### *Domestic monetary events*

*Amendment to Federal Reserve Act.*—By an act of June 12, 1945, Public Law 84 (see exhibit 40, p. 386), the Federal Reserve Act was amended to require the maintenance by each Federal Reserve Bank of minimum reserves in gold certificates equal to 25 percent of its Federal Reserve notes in circulation and of its deposit liabilities. The required reserves had previously been 40 percent in gold certificates against Federal Reserve notes and 35 percent in gold certificates and lawful money against deposits. The act further extended indefinitely the authority for the use of direct obligations of the United States as permissible collateral security for Federal Reserve notes. Authority previously granted for the issuance of Federal Reserve bank notes was terminated on the date of the enactment of this act. As the same time the power granted to the President under the Thoma amendment of May 12, 1933, with respect to the issuance of \$3 billion additional United States notes was also terminated.

*Silver policy.*—Throughout the fiscal year 1945 the Treasury continued the policy inaugurated in April 1942 of putting all available silver into urgent war uses.

No foreign refined silver and only 329,309 fine ounces of silver from unrefined silver imports were acquired by the Mints, thus permitting such silver to go into industrial and other uses. Likewise, the greater part of the silver produced in the United States during this fiscal year was left available for important war uses, since the Treasury's purchases of newly mined domestic silver under the act of July 6, 1939, amounted to only 74,724 fine ounces, i. e., about 0.2 of 1 percent of the total domestic production estimated at 35.0 million ounces.

More than 68.1 million ounces of silver, including 15.7 million ounces for Philippine silver coinage, were sold for war purposes under the provisions of the act of July 12, 1943, which authorized the President, through the Secretary of the Treasury, upon the recommendation of the Chairman of the War Production Board, to lease domestically or to sell, at a price of not less than 71.11 cents per fine ounce, silver held or owned by the United States.

*Lend-leasing of silver.*—From May 1943 through June 30, 1945, approximately 335.0 million ounces of silver were lend-leased by the United States to allied and friendly foreign countries for industrial



and coinage purposes. Of this amount, 119.8 million ounces were lend-leased during the fiscal year 1945. All lend-leased silver is to be returned to the United States Treasury on an ounce-for-ounce basis after the end of the war, as specified in the respective agreements.

### *Currency for United States armed forces*

Suitable currencies were provided during the war for our Army and Navy for use in making payments in foreign countries. Such currencies had to be made available in a form enabling settlements for purchases and other financial adjustments without creating economic chaos behind our lines. The diverse arrangements were determined by the special circumstances attending each military operation and generally by its nature, whether of liberation, invasion, or occupation.

The issuance and use of military currency are carefully controlled by the military authorities to insure that it is employed only for purposes essential to military operations, for the continued operation of essential trade and commerce, and for Government administration. In connection with all expenditures complete records are being kept and a detailed accounting procedure has been set up covering the issuance and use of this currency. When the United States Army obtains allied military marks, for example, for expenditures for pay of troops and for the purchases of supplies and services in the area, the relevant appropriation of the War Department is charged with the dollar equivalent of such expenditures, thus maintaining the control of Congress over the expenditures of the armed forces in the same degree as over expenditures of these services within the United States. These records also will facilitate the adjustment of other financial matters, such as those for civil affairs, growing out of the military operations of the allied forces in the occupied area. (See exhibits 44, 45, and 49, pages 389 and 395.)

In the Italian campaign the Allied Expeditionary Forces used an allied military lira prepared in the Bureau of Engraving and Printing. After the armistice with Italy this currency was made legal tender by the Italian Government. In accordance with the President's statement of October 10, 1944, the equivalent of the net amount of lire utilized by personnel of the United States armed forces for local expenditures is being made available to the Italian Government for the purchase in the United States of essential civilian supplies for Italy.

Allied forces landed on the Normandy beaches with supplemental franc currency, printed in the United States after agreement with the British Government and consultation with the French Committee of National Liberation. Subsequently, the French Committee, which was successively recognized as the *de facto* authority in France and as



the Provisional Government of the French Republic, assumed responsibility for the issue of all the supplemental francs used by allied troops, in the days immediately following the landing of June 6, 1944. Under this agreement the French authorities undertook to make available to the allied forces the amounts of French currency required for military operations in France. A systematic accounting procedure was initiated to record the use of this currency by the allied military forces, rates of 49.5663 francs to the dollar and 200 francs to the pound being established by the French Government for this purpose. On the basis of these records, the French Government is reimbursed in dollars for the amount of French currency expended by personnel of the United States armed forces in France or for such official expenditures as are not eligible items to be supplied by the French Government as reciprocal aid. Arrangements were made to permit United States personnel to remit all or any portion of the pay which they receive in French francs to the United States against payment in this country in dollars.

Prior to the entry of the liberating forces into Belgium, notes of the Banque Nationale de Belgique had been made available by the Belgian Government to the Supreme Commander, Allied Expeditionary Forces. In addition to these notes available from pre-war stock or printed in London during the war, a new series of 2-franc coins had been previously minted for the Belgian Government by the United States Mint. The arrangements made with the Belgian Government provided accounting, payment, and remittance arrangements of the type embodied in the French agreement. Exchange rates were fixed at 43.773 Belgian francs to the dollar and 176.625 Belgian francs to the pound. (See exhibit 41, p. 387.)

Belgian currency and coins were also made available to the allied forces in Luxembourg under an identical arrangement, as such currency had circulated freely in Luxembourg before the war. This arrangement was approved by the Luxembourg Government. (See exhibit 42, page 388.)

Netherlands currency and coin had been supplied to the Supreme Commander, Allied Expeditionary Forces, for the use of allied forces in the Netherlands, on the same basis. Rates of exchange were fixed by the Netherlands Government at 2.64957 guilders to the dollar and 10.691 guilders to the pound. (See exhibit 43, page 388.)

On October 3, 1944, it was announced that military forces under General Eisenhower were using allied military marks in German territory. Like the allied military lire used in Italy, this currency was produced in the United States by the Bureau of Engraving and Printing and made available by the Treasury to the allied armed forces. For the purpose of computing the pay of troops, provisional rates of 40 marks to the pound and 10 marks to the dollar were estab-

lished. The Soviet authorities, who printed identical military marks for their own use, established a rate of 2 marks to the ruble.

A similar procedure was followed in Austria, where a currency called the allied military schilling was supplied to the allied armed forces. The schilling was also provisionally fixed at 10 cents, equivalent to 1 reichsmark, but a distinctive currency rather than marks was utilized in accordance with the Moscow declaration to reestablish an independent Austria.

In that part of Czechoslovakia first entered by American troops, the Sudetenland, the only currency in circulation was the reichsmark, and as a temporary expedient, the United States forces used allied military marks in that area. In areas of Czechoslovakia where the Czechoslovak crown was in circulation, the United States forces used Czechoslovak crowns supplied to them by the Czechoslovak Government, pending negotiation of a definitive currency arrangement. With the introduction of a unified currency in Czechoslovakia and the establishment by the Czechoslovak Government of an official exchange rate of 50 crowns to the United States dollar, a formal currency arrangement was negotiated and became effective on November 1, 1945. Under this arrangement the Army is using Czechoslovak crown currency exclusively and crown requirements are purchased from the Czechoslovak National Bank at the official exchange rate.

In Norway the Norwegian Government supplied Norwegian crowns to the allied forces, fixing a rate of 4.957 crowns to the dollar. An allied military crown was printed in the United Kingdom for the use of the allied forces in Denmark, the provisional rates of exchange being fixed at 24 crowns to the pound sterling and 5.948 crowns to the dollar.

In the Pacific area, the Treasury revoked on October 21, 1944, the Hawaiian currency and security regulations, the danger of invasion having been definitely removed. This permitted the use of standard United States currency in the Islands, and the discontinuance of payments in the special currency overprinted with the word "Hawaii" which had been utilized exclusively since July 1942. (See exhibit 46, page 394.)

On November 16, 1944, it was announced that United States forces in the Philippine Islands were using a new "Victory Series" of Philippine Treasury certificates, supplementing the pre-war Treasury certificates which are still legal tender, and a new 1944 series of Philippine coins prepared for that purpose. The pre-war exchange rate of 2 pesos to \$1 again became effective. (See exhibit 47, page 394.)

On January 22, 1945, the Treasury Department announced the transfer to the Republic of China of \$210 million, in settlement for advances of local currency and for supplies, services and military construction furnished the United States forces in China up to Sep-

tember 30, 1944. In August 1945, a transfer, for similar reasons, of \$45 million to cover the last quarter of 1944 was made to China. Because of the peculiar conditions in China, particularly the existence of an advanced inflationary situation, our forces have been paid in United States currency. This has been done with the permission of the Chinese Government. (See exhibit 48, page 395.)

On June 8, 1945, it was announced that the United States armed forces were using a supplemental military currency denominated in yen in the invasion of Okinawa and other islands of the Ryukyu group. For pay of United States personnel and for military accounting purposes, a provisional rate of 1 yen to 10 cents, or 10 yen to the dollar, was used. This conversion rate was superseded on September 4, 1945, by a conversion rate of 15 yen to one United States dollar, which is the rate now being used in the main and outlying islands of Japan and in Korea. The accounting and remittance procedures are analogous to those applicable to military lire and military marks. (See exhibit 50, page 396.)

The forces of General MacArthur and Admiral Nimitz were supplied with Netherlands Indies guilders prepared upon the order of and issued by the Netherlands Government to General MacArthur and Admiral Nimitz. These guilders were paid for in dollars to the extent that they were used for net troop pay and other strictly military expenditures not covered by reverse lend-lease.

## TAXATION DEVELOPMENTS

### *Transition and postwar tax revision*

No major revenue legislation was enacted during the fiscal year 1945. Emphasis shifted from the problems of wartime taxation to the problems of postwar tax revision. Formal work on tax adjustments for the transition and postwar periods was inaugurated by the adoption of two resolutions by the Joint Committee on Internal Revenue Taxation on June 15, 1944. This work received added impetus in January 1945 when the President in his Budget Message for 1946 stated: “. . . we must overhaul the wartime tax structure to stimulate consumers' demand and to promote business investment. The elements of such a tax program should be developed now so that it can be put into effect after victory.”

The first of the two resolutions by the Joint Committee called upon its staff, in collaboration with the Treasury, to make a special study of postwar taxation. The second resolution requested the Chairman of the Committee on Finance and the Chairman of the Committee on Ways and Means each to designate a minority member of his committee to work with the Joint Committee in the study of postwar taxation.

In accordance with these resolutions, the Joint Committee on Internal Revenue Taxation for Postwar Taxation was organized, with equal representation for both parties, and the tax staffs of the Committee and the Treasury, including the Bureau of Internal Revenue, undertook a series of joint studies relating to various aspects of the transition and postwar tax problems. In addition to these studies, the staffs held many off-the-record conferences with representatives of business, labor, agriculture, and other groups, some of which had undertaken their own postwar tax studies.

A number of confidential reports were submitted to and studied by the Joint Committee in meetings held throughout the winter months. Based on these studies, the Committee reached conclusions which were set forth in a report made public at a press conference held by Chairman Doughton, Chairman George, and Secretary Morgenthau on May 10, 1945. This report recommended certain changes in the operation of taxes affecting business for the interim period following the end of the European war. These changes did not, for the most part, involve any reduction in ultimate tax liabilities. They were designed primarily to facilitate reconversion by improving the cash position of business enterprises and by lightening burdens on smaller businesses.

Specifically, the recommended changes were as follows:

1. Increase the excess profits tax specific exemption from \$10,000 to \$25,000, effective beginning with the tax year 1946.
2. Provide that the postwar credit of 10 percent of excess profits tax be taken currently with respect to tax liabilities of 1944 and subsequent years.
3. Advance to January 1, 1946, the maturity date of outstanding postwar refund bonds.
4. Provide for speed-up of refunds resulting from carry-backs of net operating losses and of unused excess profits credits.
5. Provide for speed-up of refunds resulting from the recomputation of deductions for amortization of emergency facilities.

These recommendations of the Joint Committee were incorporated in a bill introduced in the House of Representatives by Chairman Doughton on June 18, 1945. This bill became Public Law 172 on July 31, 1945.

#### *Other revenue legislation*

Public Law 410, July 1, 1944, extending to commissioned officers of the Public Health Service exemption of certain pay from Federal income taxation, and other benefits, privileges, and exceptions accorded to commissioned officers of the Army, under the internal revenue laws.



Public Law 414, July 1, 1944, amending the Internal Revenue Code, the Narcotics Drugs Import and Export Act, as amended, and the Tariff Act of 1930, as amended, to add isonipECAINE to the list of narcotic drugs.

Public Law 495, December 16, 1944, amending sections 1400 and 1410 of the Internal Revenue Code to freeze the taxes imposed on employers and employees under the Federal Insurance Contributions Act to 1 percent for the calendar year 1945.

Public Law 511, December 20, 1944, amending sections 403 (d) (3) and 452 (c) of the Revenue Act of 1942, to extend through June 30, 1945, the time within which a power of appointment may be released without incurring estate or gift tax liability; amending section 162 (d) of the Revenue Act of 1942 to extend from December 31, 1944, to June 30, 1945, the time within which to satisfy certain requirements for exemption under section 165 of the Internal Revenue Code of employees' trusts forming part of pension, annuity, profit sharing or stock bonus plans, where the plan is put into effect prior to January 1, 1945, and adding a new subparagraph prescribing a time limit for satisfying those requirements where the plan is put into effect after December 31, 1944; and providing that the 3-year period of limitations on a claim for refund or credit with respect to war losses as described in section 127 (a) of the Internal Revenue Code shall in no event expire prior to December 31, 1945.

Public Law 541, December 22, 1944, amending section 3656 of the Internal Revenue Code to allow collectors to receive certified, cashiers', and treasurers' checks drawn on national and State banks and trust companies, and United States postal, bank, express, and telegraph money orders in payment of stamps to be used in payment of internal revenue taxes.

Public Law 552, December 23, 1944, amending section 511 (c) of the Merchant Marine Act, 1936, as amended, to make certain technical changes in the provision of present law under which no gain is recognized for income tax purposes in the case of a sale or indemnified loss of a vessel if the proceeds are deposited in a construction reserve fund.

Public Law 21, March 24, 1945, amending section 1426 (i) of the Internal Revenue Code to provide that the Administrator, War Shipping Administration, and the United States Maritime Commission may pay the employers' tax under the Federal Insurance Contributions Act without regard to the \$3,000 limitation on wages.

Public Law 95, June 29, 1945, amending sections 403 (d) (3) and 452 (c) of the Revenue Act of 1942, to extend through June 30, 1946, the time within which a power of appointment may be released without incurring estate or gift tax liability; and amending section 501 (c) of the Revenue Act of 1932, as added by section 502 (b) of the Revenue



Act of 1943, to enlarge the period during which certain reserved powers could have been exercised or otherwise terminated free of gift tax.

Public Law 104, June 30, 1945, amending the Renegotiation Act to extend the termination date through December 31, 1945, an additional year; and amending section 802 (b) of the Revenue Act of 1943 to provide that section 801 of the Internal Revenue Code, relating to repricing of war contracts, shall be inapplicable to contracts made after December 31, 1945.

Public Law 105, June 30, 1945, amending section 1001 (a) of the Revenue Act of 1932 and section 2 as amended, Public Law 73, June 16, 1933, to extend through June 30, 1947, an additional 2 years, certain postage rate increases; and amending section 732 (d) of the Internal Revenue Code to show clearly that it is applicable to all taxable years beginning after December 31, 1939.

### CUSTOMS SERVICE IN THE WAR

In addition to its normal functions the Customs Service continued to exercise physical control of exports, vessels, vehicles, and persons to insure that no articles are taken from the United States except under license or similar authorization; to enforce the provisions of the Foreign Funds Control Act and the regulations promulgated thereunder as they relate to the exportation and importation of currency, negotiable instruments, securities, and other evidences of indebtedness; to control American citizens leaving the United States to insure that they hold valid passports; and to enforce the Trading with the Enemy Act in the censorship of tangible communications brought into or taken from the United States otherwise than in the regular course of the mails.

Active cooperation continued to be given by the Customs Service to the Army and Navy intelligence services and to the Federal Bureau of Investigation. The Customs Service also furnished substantial assistance to the Coast Guard in the protection from sabotage of vessels, harbors, ports, and waterfront facilities.

Customs officers cooperated with the War Production Board and the Office of Price Administration in the enforcement of certain regulations of those organizations. In the case of the War Production Board, the Customs Service assisted in controlling the importation of restricted materials. It assisted the Office of Price Administration in the rationing of ships' supplies and imports of sugar, processed foods, meats, fats, fish, cheeses, tires, shoes, and rubber.

A further discussion of the war activities of the Customs Service will be found on page 200.

## SPECIAL PROCUREMENT ACTIVITIES

*Lend-lease*

Since the beginning of lend-lease in 1941, the Procurement Division has purchased under the program industrial and agricultural commodities, and miscellaneous items including medical supplies, scientific equipment, and complete power facilities. During the fiscal year 1945, the Procurement Division entered into 23,396 contracts for lend-lease purchases with a dollar volume of \$1,306,693,095, an increase of \$220,105,771 over 1944. Aggregate expenditures since receipt of the first requisition for lend-lease purchases on April 3, 1941, have been \$4,982,795,021, representing 86,405 contracts.

In conjunction with lend-lease purchasing, the Procurement Division has expanded its activities of inspection and expediting production of materials. Procurement Division inspectors make regular examinations of materials during manufacture, and inspect materials during packing for overseas shipment, in storage awaiting shipping allocations, and at ports. At shipside, inspectors also arrange loading sequence through liaison with War Shipping and foreign government port representatives. Inspection at ports also includes rechecking of packing, crating, and markings of identification; remarking and reconditioning, where necessary; preparing of damage claims; and obtaining the proper receipts from representatives of foreign governments. Procurement Division expeditors assist manufacturers in maintaining production schedules by arranging priorities through the War Production Board, by expediting raw materials and component parts under production in subcontractors' plants, and by imparting information on standards for export shipment.

In addition, the Procurement Division arranges for transportation of lend-lease goods to shipside or storage. The Division administers space totaling 1½ million square feet of open space and 2 million square feet of closed space at lend-lease storage depots located in Army installations. It also makes extensive use of commercial storage facilities throughout the country, contracted for by the unit or per hundredweight.

*United Nations Relief and Rehabilitation Administration*

During the fiscal year 1945, the Procurement Division initiated purchases for the United Nations Relief and Rehabilitation Administration for relief purposes in the war liberated areas. The purchases, totaling \$106,314,135, were primarily for textiles, chemicals, and medical supplies, although in the latter part of the year other items and materials for reconstruction were included. All purchases are accorded the same special inspection, expediting, transportation, and storage facilities as lend-lease purchases.

*Surplus property disposal*

The Procurement Division was the disposal agency for surplus property of the consumer goods type under the Surplus Property Act of 1944 (Public Law 457, October 3, 1944) until this operation was transferred to the Department of Commerce by Executive Order 9541, dated April 19, 1945. As of July 1, 1944, the Procurement Division had inventories of surplus property, on an appraised value basis, of \$56,203,133. Between that time and December 31, 1944, additional property was received, on an appraised value basis, of \$120,752,651. From January 1 to April 30, 1945, additional property was received, on a reported cost basis, of \$63,719,388, making a total of \$240,675,172.

The following table shows the disposals and recoveries of surplus property made by the Procurement Division during the period July 1, 1944, through April 30, 1945.

Disposals to—	Appraised value or reported cost <sup>1</sup>	Recovery value	Percentage recovered of appraised value or reported cost
Federal agencies.....	\$6,464,966	\$5,589,212	86.5
Lend-lease.....	11,427,593	7,326,423	64.1
Other.....	107,272,830	70,920,462	66.1
Loans, rentals, donations.....	3,336,269		
Total.....	128,501,658	83,836,097	65.2
Inventory (May 1, 1945).....	112,173,514		

<sup>1</sup> Recording of property transactions to Jan. 1, 1945, and disposal of inventory on hand at that date are based on appraised value. Acquisitions subsequent to Jan. 1, 1945, are based on reported cost.

*Renegotiation of war contracts*

By authority of the law directing the renegotiation of contracts, the Procurement Division continued to renegotiate war contracts consummated by the Division, and cooperated with the War and Navy Departments and the United States Maritime Commission, and when the predominant interests were those of the Procurement Division renegotiated contracts for those agencies. (See also pages 24 and 242 of this report.)

*Strategic and critical materials*

Purchases of strategic and critical materials are authorized by the act of June 7, 1939 (Public 117), as amended, an act to provide for the common defense by acquiring stocks of strategic and critical materials essential to the needs of industry for the manufacture of supplies for the armed forces and civilian population in time of a national emergency, and to encourage further development of the materials within the United States. In order to provide expenses

for the acquisition, transportation, maintenance, storage, and rotation of the materials selected for stockpiling by the Army and Navy Munitions Board, this act authorized an appropriation of \$100,000,000, of which \$70,000,000 was appropriated to June 30, 1945.

During the fiscal year 1945, the Procurement Division obligated the sum of \$122,091 for inspection, handling, storage, and overages of strategic and critical materials. It also returned to the fund appropriated by Congress the sum of \$1,260,211 due to canceled contracts and unexpended balances of obligations, and the sum of \$370,000 as proceeds from the sale of strategic and critical materials released from the stockpile. These sums bring to \$54,849,948 the amount obligated since the inception of the program.

### FOREIGN FUNDS CONTROL ACTIVITIES

During the fiscal year 1945, the Treasury, through Foreign Funds Control, continued to pursue its objectives of weakening the enemies' financial resources, preventing financial operations contrary to our war effort, and facilitating financial operations supporting the war effort of the United Nations.

The blocking of assets in the United States belonging to the enemy, enemy-controlled, and European neutral countries was continued and Foreign Funds Control maintained its regulation of the uses to which such assets could be put. Import controls over securities and currency were maintained, thus keeping United States markets closed to Axis loot. The Control also continued to participate in the administration of the Proclaimed List of Certain Blocked Nationals.

As the occupied European countries were liberated and as the collapse of Germany drew near and finally took place, ever increasing amounts of time and energy were devoted to the problems of (1) locating and neutralizing all German assets, so as to prevent the caching of such assets by the enemy for use in a third attempt at world domination; and (2) relaxing the wartime controls of this country over the assets of liberated European nations.

In implementing its program under (1) above, the Treasury, in cooperation with other Government agencies, has actively participated in the preparation of representations to the neutral European countries looking toward a disclosure of all Axis assets in those countries and the closing of those countries to Axis financial transactions. In addition, the Treasury joined in a recommendation leading to the issuance of Executive Order No. 9567 which authorized the vesting of German and Japanese funds by the Alien Property Custodian.

In adjusting wartime controls over the assets of liberated areas under (2) above, General Ruling No. 11 has been repeatedly modified to delete areas from the definition of "enemy territory" as they became liberated and as responsible governments assumed control;



living expense remittances to liberated areas were authorized (General Licenses Nos. 32 and 33, as amended); trade transactions with France and Belgium were licensed (General Licenses Nos. 90 and 91). Negotiations are being carried on with the post-liberation governments looking toward their assuming primary responsibility for making certain that the economic warfare objectives of the freezing control are carried to completion with respect to the funds of their nationals in this country, and that no transactions effected under duress are permitted to be consummated contrary to the wishes of the rightful owners of the funds.

In addition, the securities and currency regulations of Hawaii, issued shortly after Pearl Harbor when invasion appeared imminent, were revoked completely in view of the changed Pacific war situation. On the other hand, the freezing control was reestablished in the Philippine Islands following their liberation.

Foreign Funds Control also continued its detailed research with respect to the financial interests in foreign countries.

## WAR CONTRIBUTIONS

### *Conditional gifts*

Under the Second War Powers Act, approved March 27, 1942, as amended, the Secretary of the Treasury, through June 30, 1945, accepted and covered into the Treasury by warrants 1,480 donations of money, in the amount of \$6,017,985.32, for specific purposes in furtherance of the war program. The donations were made by individuals and groups. A summarization follows.

*Donations of money accepted under the Second War Powers Act, 1942, as amended, and covered into the Treasury by warrants*

Purpose for which contributed	Mar. 27, 1942, through June 30, 1944	July 1, 1944, through June 30, 1945	Total
Aircraft.....	\$2, 776, 213. 14	\$418, 583. 18	\$3, 194, 796. 32
Vessels.....	99, 789. 95	978. 50	100, 768. 45
Guns and ammunition.....	128, 362. 92	8, 551. 32	136, 914. 24
Welfare and recreation.....	250, 154. 31	147, 673. 29	397, 827. 60
Buildings and appurtenances.....	141, 694. 79	400, 000. 00	541, 694. 79
Medical supplies.....	34, 086. 06	112, 957. 73	147, 043. 79
Vehicles.....	1, 046, 437. 83	72, 339. 69	1, 118, 777. 52
Miscellaneous equipment.....	32, 318. 63	113, 722. 35	146, 040. 98
Foreign relief and rehabilitation.....	52, 122. 42	101, 699. 21	153, 821. 63
War financing.....	80, 300. 00	-----	80, 300. 00
Total.....	4, 641, 480. 05	1, 376, 505. 27	6, 017, 985. 32

In addition, 297 donations of property valued at well over a million dollars were accepted during the fiscal year 1945 for use in connection with the various war activities and the welfare of servicemen. These donations included a 30-foot motorboat; a carload of piling; reproductions of various motion picture films; baby grand pianos; 10 million

yeast tablets; 1 million copies of World O' Fun; a printing press; 30,000 deep-sea fishing kits valued at \$65,000; services of typists and of service car and ambulance drivers; war dogs; game kits valued at approximately \$100,000; 20,000 sports booklets; 30,000 copies of Facts Veterans Should Know Before Starting a Business; 28,000 fiction and nonfiction books; cigarettes valued at more than \$150,000; more than 75,000 phonograph records; thousands of magazines and miscellaneous booklets of interest to servicemen.

Also, under blanket authority delegated by the Secretary of the Treasury to the War, Navy, and State Departments, 115 donations of property were received and accepted during the fiscal year 1945 at a reported value of \$317,632.46, for such items of equipment and supplies as could be readily appraised, and in addition thereto various donations were accepted under such blanket authority upon which valuations were not estimated, including 54 dogs for war service.

### *Unconditional donations*

From December 7, 1941, the day on which Pearl Harbor was attacked, through June 30, 1945, unconditional donations numbering 18,146 and amounting to \$1,197,358.64 were received and covered into the Treasury by warrants. The 18,146 donations do not represent the total number of donors inasmuch as the donations of approximately 26,634 individuals were grouped and treated as single donations; for example, 8,500 employees of an aeronautical corporation sent in individual checks which were recorded as one donation. Also numerous donations of war savings stamps from individuals in groups have been received and recorded as single contributions. These gifts of stamps were received from groups ranging from 10 to more than a thousand individuals in number, and from \$5 to \$600 in amount. Group donations of stamps and money came from students of elementary and high schools, members of labor and fraternal organizations, employees of private concerns, Army and Navy personnel, war plants, etc.

### **SALARY STABILIZATION**

Under the general wartime program to stabilize the cost of living, the Treasury Department continued to administer its part of the provision for the stabilization of salaries. Through the Salary Stabilization Unit of the Bureau of Internal Revenue action is taken upon applications received from employers for adjustments in the compensation of their employees. Treasury jurisdiction extends to the stabilizing of all salaries in excess of \$5,000 per annum, and of executive, administrative, and professional salaries where the rates are in excess of \$30 per week and \$200 per month, respectively, and the occupants

of such positions are not represented by a certified labor organization in their dealings with their employers, and are not engaged in "agricultural labor."

The number and types of the cases handled during the year are summarized in the administrative report of the Salary Stabilization Unit beginning on page 225.

The authorizing legislation and major Executive orders and regulations through June 30, 1944, are summarized also on page 225. Additional detail was given in the Annual Report of the Secretary of the Treasury for 1944 on pages 129-131. An act of Congress approved June 30, 1945 (Public Law 108), amending the act of October 2, 1942, stipulated that its provisions shall terminate on June 30, 1946. During the fiscal year 1945 the salary stabilization regulations were amended in several respects. The most important amendments are set forth in the paragraphs which follow.

With the authority of the Economic Stabilization Director, the policy of the Stabilization Unit regarding the processing of percentage type bonuses (percentage of profits, salary, new business, etc.) was changed in order to conform more closely to that adopted by the National War Labor Board. The major change related to approval of distribution of percentage type bonuses. Under the new policy, even though distribution is based in part upon the discretion of the employer, approval is not required for the payment of such bonuses where they are paid in accordance with a previously established plan which contains a definite method of determining the amount of the bonus fund to be distributed, and where there is an established practice for the distribution of such fund. These provisions are contained in Treasury Decision 5462.

Treasury Decision 5416, dated November 3, 1944, sets forth the procedure followed by the Commissioner in determining whether salary increases made by employers were in fact made in contravention of the act of October 2, 1942, as amended, and the Salary Stabilization Regulations.

Treasury Decision 5435, dated February 2, 1945, amended the regulations to authorize the Commissioner in contravention cases to determine as sanctions, in the light of extenuating circumstances, an amount less than the maximum amount prescribed which shall be disregarded by executive departments and other agencies of the Government, and also to determine the particular departments or agencies of the Government by which the amount so determined shall be disregarded, and to certify such amounts to those departments or agencies.

#### LIQUIDATION OF WAR AGENCIES

On December 1, 1944, there was turned over to the Treasury Department the liquidation of the fiscal affairs of the Division of

Central Administrative Services, of the Office for Emergency Management. This liquidation was assumed by the Bureau of Accounts under Executive Order 9471, dated August 25, 1944, which abolished the Division of Central Administrative Services and transferred the functions to other agencies of the Government. For further details see page 126.

### ESTIMATES OF RECEIPTS

The Secretary of the Treasury is required each year to prepare and submit in his annual report to Congress estimates of the public revenue for the current fiscal year and for the fiscal year next ensuing (Public No. 129, February 26, 1907). These estimates are now made in December of each year on the basis of legislation existing at the time of making the estimates.

The details of estimated and actual receipts are shown in table 105 beginning on page 724. Throughout the tables shown in this exposition the figures are rounded and will not necessarily add to totals.

#### *Total and net receipts*

Total receipts, general and special accounts, are estimated (on the daily Treasury statement basis) in the amounts of \$39,706.6 million in the fiscal year 1946 and \$32,938.5 million in the fiscal year 1947. Estimated total receipts in 1946 show a decrease of \$8,033.0 million from actual total receipts of \$47,739.5 million in 1945 and estimated total receipts in 1947 show a further decrease of \$6,768.0 million from the total receipts estimated for 1946.

Net receipts, general and special accounts, are estimated (on the daily Treasury statement basis) to be \$38,608.8 million in the fiscal year 1946 and \$31,512.7 million in 1947. Estimated net receipts in 1946 represent a decrease of \$7,847.7 million from actual net receipts of \$46,456.6 million in 1945. The estimated net receipts in 1947 are \$7,096.1 million less than estimated net receipts in 1946.

The percentage distribution, by sources, of estimated total receipts in 1946 and 1947, as compared with actual receipts in 1944 and 1945, is shown in the following table.

*Percentage distribution of total receipts, by sources*

Source	Actual, 1944	Actual, 1945	Estimated, 1946	Estimated, 1947
Individual income tax.....	43.6	40.1	38.2	37.0
Corporation income and excess profits taxes.....	32.8	33.6	30.3	24.9
Miscellaneous internal revenue.....	11.6	14.5	18.4	21.4
Employment taxes <sup>1</sup> .....	3.9	3.8	4.0	5.6
Customs.....	.9	.7	1.1	1.3
Miscellaneous receipts.....	7.2	7.3	8.0	9.8
Total receipts.....	100.0	100.0	100.0	100.0

<sup>1</sup> Includes railroad unemployment insurance contributions.



The individual income tax maintains its position as the leading source of revenue throughout the fiscal years 1946 and 1947, even though it represents successively a smaller percentage of total receipts in each year. Corporation income and excess profits taxes, the second most important source of receipts, follow a more rapidly declining trend both in amount and as a percentage of total receipts. Miscellaneous internal revenue and customs, although representing fairly stable absolute amounts, increase as percentages of total receipts as a result of the estimated decline in total receipts in 1946 and 1947. Employment taxes, although declining slightly in absolute amount in 1946, show an increase on a percentage basis, and in 1947 show an increase in both absolute amount and percentage. Miscellaneous receipts show a decline on both a percentage and an absolute basis in 1946 and an increase on both bases in 1947.

*Fiscal year 1946*

Estimated receipts in the fiscal year 1946 and actual receipts in the fiscal year 1945 are compared by major sources in the following table.

*Total and net receipts, by sources*

[In millions of dollars]

Source	Actual, 1945	Estimated, 1946	Increase or decrease (—), 1946 over 1945
Individual income tax.....	19,145.8	15,180.0	—3,965.8
Corporation income and excess profits taxes.....	16,027.2	12,041.4	—3,985.8
Miscellaneous internal revenue.....	6,949.4	7,319.5	370.1
Employment taxes <sup>1</sup> .....	1,792.7	1,581.3	—211.4
Customs.....	354.8	413.2	58.4
Miscellaneous receipts.....	3,469.5	3,171.2	—298.4
<b>Total receipts.....</b>	<b>47,739.5</b>	<b>39,706.6</b>	<b>—8,033.0</b>
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund.....	1,283.0	1,097.7	—185.2
<b>Net receipts.....</b>	<b>46,456.6</b>	<b>38,608.8</b>	<b>—7,847.7</b>

<sup>1</sup> Includes railroad unemployment insurance contributions.

In the fiscal year 1946, for the first time in seven years, receipts of the Federal Government are expected to show a decrease as compared with the receipts of the previous year. The largest decreases occur in the receipts from the corporation and individual income taxes. The first is a result of lower corporate profits and legislative changes permitting offsets against current liabilities, and the second reflects both lower levels of income and reductions in tax liabilities contained in the Revenue Act of 1945. Employment tax receipts and miscellaneous receipts also contribute in a smaller measure to the decline in receipts in 1946. Employment tax receipts decline as a result of the estimated lower levels of salaries and wages, and miscellaneous receipts decrease as a result of smaller recoveries from the renegotiation of war contracts.

Customs receipts show an increase resulting from the improved shipping situation and receipts from miscellaneous internal revenue increase as a result of growing availability of taxable commodities following the end of the war.

*Individual income taxes.*—The details of the yield of the individual income tax are shown in the following table.

[In millions of dollars]			
Source	Actual, 1945	Estimated, 1946	Increase or decrease (—), 1946 over 1945
Withheld.....	10,289.2	8,061.0	—2,228.2
Not withheld.....	8,345.0	6,805.0	—1,540.0
Back taxes.....	511.6	314.0	—197.6
Total individual income tax.....	19,145.8	15,180.0	—3,965.8

Estimated individual income tax receipts in the fiscal year 1946 are based on lower income levels than were the receipts in the fiscal year 1945 and in addition reflect lower tax and withholding rates beginning January 1, 1946.

*Corporation income and excess profits taxes.*—The details of the taxes from this source appear in the table following.

[In millions of dollars]			
Source	Actual, 1945	Estimated, 1946	Increase or decrease (—), 1946 over 1945
Income tax and excess profits tax.....	14,533.6	10,629.8	—3,903.8
Declared value excess profits tax.....	117.9	73.8	—44.1
Back taxes.....	1,375.7	1,337.8	—37.9
Total corporation income and excess profits taxes..	16,027.2	12,041.4	—3,985.8

Corporate profits are estimated to have reached their peak in the calendar year 1943 and to have declined successively in the calendar years 1944 and 1945. As a result, corporation tax receipts in the fiscal year 1946, reflecting 1944 and 1945 corporate incomes, are expected to be somewhat smaller than the fiscal year 1945 receipts, which reflected 1943 and 1944 corporate profits.

Receipts in the fiscal year 1946 show a further decline as a result of the passage of the Tax Adjustment Act of 1945. Under this act numerous offsets to current payments are available to corporate taxpayers which are expected to reduce receipts substantially. These offsets to current payments arise from the carry-backs of net operating losses and unused excess profits credits and the net post-war credit for excess profits taxes. Corporations are allowed to estimate their net operating losses and unused excess profits credits for the current year and to recompute their tax for prior years using the estimated carry-backs. The reduction of taxes as determined by the recomputation is allowed as an offset to current tax payments. Under the act the net post-war credit for excess profits taxes (the post-war

credit for the excess profits tax less the amounts taken currently for debt retirement) is allowed to be taken currently, reducing current tax payments. An additional offset against current tax liabilities results from the termination of rapid amortization by the Presidential Proclamation of September 29, 1945. In most cases the effect of this action was to increase the yearly amortization, which had previously been allowed on a 60-month basis, and resulted in lower tax liabilities for years prior to 1945. The difference in original and recomputed taxes may be taken as a credit against the current tax payments.

*Miscellaneous internal revenue.*—Receipts from this source by major groups are listed in the following table.

[In millions of dollars]

Source	Actual, 1945	Estimated, 1946	Increase or decrease (—), 1946 over 1945
Capital stock tax.....	372.0	352.3	—19.7
Estate and gift taxes.....	643.1	664.8	21.7
Liquor taxes.....	2,309.8	2,372.7	62.9
Tobacco taxes.....	932.1	1,139.9	207.7
Stamp taxes.....	65.5	77.5	12.0
Manufacturers' excise taxes.....	782.1	897.7	115.6
Retailers' excise taxes.....	424.1	423.3	— .8
Miscellaneous taxes.....	1,430.9	1,391.3	—39.6
Adjustment to daily Treasury statement basis.....	—10.2	-----	10.2
Total miscellaneous internal revenue.....	6,949.4	7,319.5	370.1

It is estimated that yields from liquor and tobacco taxes will increase as a result of a more ample taxable supply in the case of the tobacco taxes and increased production in the case of liquor taxes. The increases would be greater were it not for the expected decline in consumer purchasing power in the fiscal year 1946. Manufacturers' excise tax receipts are estimated to increase in the fiscal year 1946 as a result of a resumption of manufacture of many taxable items which had been discontinued during the war. Receipts from retailers' excise taxes and miscellaneous taxes show decreases as a result of the expected decline in effective demand.

*Employment taxes.*—The yields of the various employment taxes are shown below.

[In millions of dollars]

Source	Actual, 1945	Estimated, 1946	Increase or decrease (—), 1946 over 1945
Federal Insurance Contributions Act.....	1,309.9	1,130.6	—179.3
Federal Unemployment Tax Act.....	184.5	174.6	—9.9
Taxes on carriers and their employees.....	285.0	264.1	—20.9
Railroad unemployment insurance contributions <sup>1</sup> .....	13.2	12.0	—1.2
Total employment taxes.....	1,792.7	1,581.3	—211.4
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund.....	1,283.0	1,097.7	—185.2
Net employment taxes.....	509.7	483.6	—26.2

<sup>1</sup> Not classified as an employment tax under the Internal Revenue Code.

Since the only change in tax rates was an increase in the tax rate upon carriers and their employees from  $3\frac{1}{4}$  percent to  $3\frac{1}{2}$  percent on each, the decline in receipts for the fiscal year 1946 reflects the lower levels of salaries and wages upon which the estimated receipts are based.

*Customs.*—Customs receipts are expected to be \$413.2 million in the fiscal year 1946, an increase of \$58.4 million over receipts of \$354.8 million in 1945.

*Miscellaneous receipts.*—Miscellaneous receipts are estimated at \$3,171.2 million for the fiscal year 1946, a decrease of \$298.4 million from 1945 receipts of \$3,469.5 million. The decrease results from smaller recoveries from the renegotiation of war contracts as a result of the termination of renegotiation as of December 31, 1945. The remainder of miscellaneous receipts shows an increase.

### *Fiscal year 1947*

Estimated receipts in the fiscal years 1946 and 1947 are compared by major sources in the following table.

#### *Total and net receipts, by sources*

[In millions of dollars]

Source	Estimated receipts		Increase or decrease (—), 1947 over 1946
	1946	1947	
Individual income tax.....	15,180.0	12,188.0	-2,992.0
Corporation income and excess profits taxes.....	12,041.4	8,191.5	-3,849.9
Miscellaneous internal revenue.....	7,319.5	7,030.2	-289.3
Employment taxes <sup>1</sup> .....	1,581.3	1,856.5	275.2
Customs.....	413.2	433.7	20.5
Miscellaneous receipts.....	3,171.2	3,238.6	67.5
Total receipts.....	39,706.6	32,938.5	-6,768.0
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund.....	1,097.7	1,425.8	328.1
Net receipts.....	38,608.8	31,512.7	-7,096.1

<sup>1</sup> Includes railroad unemployment insurance contributions.

Net receipts in the fiscal year 1947 are estimated at \$31,512.7 million, a decrease of \$7,096.1 million from 1946. The estimated lower levels of income reflected in 1947 receipts and the provisions of the Revenue Act of 1945 are responsible for the large decreases shown in receipts from individual and corporation income taxes. The repeal of the capital stock tax is mainly responsible for the decrease in receipts from miscellaneous internal revenue in 1947. Increases are estimated in receipts from employment taxes because of the scheduled rate increase effective in the calendar year 1947, in customs as a consequence of the expected increase in imports of taxable commodities, and in miscellaneous receipts as a result of greater sales of surplus property.

*Individual income tax.*—The details of the yield of the individual income tax are shown in the following table.



[In millions of dollars]

Source	Estimated receipts		Increase or decrease (—), 1947 over 1946
	1946	1947	
Withheld.....	8,061.0	5,710.0	—2,351.0
Not withheld.....	6,805.0	6,178.0	—627.0
Back taxes.....	314.0	300.0	—14.0
Total individual income tax.....	15,180.0	12,188.0	—2,992.0

Estimated receipts from the individual income tax in the fiscal year 1947 reflect the lower level of income forecast for the calendar year 1946 as compared with the calendar year 1945 and the lower tax rates under the Revenue Act of 1945. This act reduced normal and surtax rates, increased exemptions for the normal tax, and reduced withholding rates, effective with respect to the calendar year 1946 incomes. Roughly 95 percent of the receipts in the fiscal year 1947 reflect tax liabilities incurred under the provisions of the Revenue Act of 1945 as compared with only about 25 percent of the receipts in 1946.

*Corporation income and excess profits taxes.*—The details of the receipts from this source appear in the table below.

[In millions of dollars]

Source	Estimated receipts		Increase or decrease (—), 1947 over 1946
	1946	1947	
Income tax and excess profits tax.....	10,629.8	7,169.2	—3,460.6
Declared value excess profits tax.....	73.8	39.3	—34.5
Back taxes.....	1,337.8	983.0	—354.8
Total corporation income and excess profits taxes.....	12,041.4	8,191.5	—3,849.9

Corporate tax receipts expected in the fiscal year 1947 reflect the lower combined incomes of the calendar years 1945 and 1946 as compared with the incomes of the calendar years 1944 and 1945 which are reflected in the fiscal year 1946 receipts. In addition the 1947 receipts reflect for one-half year the changes instituted by the Revenue Act of 1945. The Revenue Act of 1945 repealed the excess profits tax and reduced the surtax rates for the calendar year 1946.

*Miscellaneous internal revenue.*—Receipts from the major groups of taxes included in this source are listed in the following table.

[In millions of dollars]

Source	Estimated receipts		Increase or decrease (—), 1947 over 1946
	1946	1947	
Capital stock tax.....	352.3	.1	—352.2
Estate and gift taxes.....	664.8	686.2	21.4
Liquor taxes.....	2,372.7	2,420.9	48.2
Tobacco taxes.....	1,139.9	1,122.5	—17.4
Stamp taxes.....	77.5	85.7	8.2
Manufacturers' excise taxes.....	897.7	1,171.2	273.5
Retailers' excise taxes.....	423.3	362.5	—60.8
Miscellaneous taxes.....	1,391.3	1,181.0	—210.3
Total miscellaneous internal revenue.....	7,319.5	7,030.2	—289.3

The increases shown in the estimated receipts from manufacturers' excise taxes and liquor taxes are primarily a result of improved supplies of taxable items. Decreases in the receipts from tobacco taxes and the retailers' excise taxes are principally attributable to estimated smaller consumer purchasing power in the fiscal year 1947 than in 1946 and the non-recurrence of inventory purchases which affected 1946 receipts of the tobacco taxes. The decrease in capital stock tax receipts is a result of the repeal of the tax by the Revenue Act of 1945; and the repeal of the tax on the use of motor vehicles and boats is responsible for a large portion of the estimated decrease in receipts from miscellaneous taxes.

*Employment taxes.*—The yields of the various employment taxes are shown below.

[In millions of dollars]

Source	Estimated receipts		Increase or decrease (—), 1947 over 1946
	1946	1947	
Federal Insurance Contributions Act.....	1,130.6	1,464.0	333.4
Federal Unemployment Tax Act.....	174.6	148.9	—25.7
Taxes on carriers and their employees.....	264.1	233.6	—30.5
Railroad unemployment insurance contributions <sup>1</sup> .....	12.0	10.0	—2.0
Total employment taxes.....	1,581.3	1,856.5	275.2
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund.....	1,097.7	1,425.8	328.1
Net employment taxes.....	483.6	430.7	—52.9

<sup>1</sup> Not classified as an employment tax under the Internal Revenue Code.

On the basis of an expected decline in levels of salaries and wages, estimated receipts from the Federal Insurance Contributions Act for the fiscal year 1947 would be \$85.1 million less than the \$1,130.6 million expected in the fiscal year 1946. However, receipts from this source are estimated to increase in the fiscal year 1947 as compared with 1946 because of the rate increase from 1 percent to 2½ percent on both employer and employee, scheduled under the Federal Insurance Contributions Act for the calendar year 1947.

*Customs.*—Customs receipts are expected to be \$433.7 million in the fiscal year 1947. The increase of \$20.5 million over the estimated receipts of \$413.2 million in 1946 reflects more normal trade relationships, partially offset by a considerable decrease in imports of wool.

*Miscellaneous receipts.*—Miscellaneous receipts are estimated at \$3,238.6 million in the fiscal year 1947, an increase of \$67.5 million over 1946 receipts of \$3,171.2 million. The increase is the result of an estimated rise in receipts from the sale of surplus property offset to some extent by smaller recoveries from the renegotiation of war contracts.

## ESTIMATES OF EXPENDITURES

Actual expenditures for the fiscal year 1945 and estimates for the fiscal years 1946 and 1947 are summarized in the following table. Further details will be found in table 105, beginning on page 724. The estimates are based upon figures submitted to the Congress in the Budget for 1947.

*Actual expenditures for the fiscal year 1945 and estimated expenditures for the fiscal years 1946 and 1947*

[In millions of dollars. On basis of 1947 Budget document]

Federal expenditures <sup>1</sup> (excluding trust account and debt transactions)	Actual, 1945	Estimated	
		1946	1947
War activities:			
General and special accounts.....	90,029.1	48,800.0	16,000.0
Government corporations (net).....	472.0	200.0	* 1,000.0
Total, including corporations.....	90,501.2	49,000.0	15,000.0
Other activities:			
General and special accounts:			
Interest on the public debt.....	3,616.7	4,750.0	5,000.0
Refunds.....	1,714.9	2,715.6	1,585.0
Veterans' pensions and benefits <sup>2</sup> .....	2,059.7	3,401.8	4,337.8
Other <sup>3</sup> .....	2,984.2	7,726.2	8,202.2
Subtotal.....	10,375.4	18,593.7	19,125.0
Government corporations and credit agencies (net) <sup>2</sup> .....	* 846.4	* 365.0	1,735.0
Total, including corporations and credit agencies.....	9,529.1	18,228.7	20,860.0
Grand total, including corporations and credit agencies.....	100,030.2	67,228.7	35,860.0

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Excess of credits (deduct).

<sup>1</sup> Amounts shown for Government corporations and credit agencies represent net expenditures from checking accounts maintained with the Treasurer of the United States.

<sup>2</sup> Includes amounts classified under general public works program in the Budget.

<sup>3</sup> Includes international finance.





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## ADMINISTRATIVE REPORTS

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## FISCAL SERVICE OF THE TREASURY DEPARTMENT

The Fiscal Service of the Treasury Department, at the head of which is the Fiscal Assistant Secretary, was established in accordance with the provisions of Reorganization Plan No. III which were made effective on June 30, 1940, by Public Resolution No. 75, approved June 4, 1940. A Fiscal Assistant Secretary was appointed on March 15, 1945, by the Secretary of the Treasury, in accordance with civil service laws. Prior to the appointment of the Fiscal Assistant Secretary, the Under Secretary, under an order of the Secretary of the Treasury, acted as Fiscal Assistant Secretary and performed all duties and functions assigned to that office.

The Fiscal Service is composed, by law, of four organizational units, as follows: (1) The Office of the Fiscal Assistant Secretary, (2) the Bureau of Accounts, (3) the Bureau of the Public Debt, and (4) the Office of the Treasurer of the United States. The work of the Fiscal Service is largely operational in character being concerned with the technical problems and transactions of the day-to-day business of the Treasury Department in the fiscal field. As the titles of the several offices and bureaus imply, this work has to do with the Treasury's financing, accounting, and disbursing, public debt operations, and the receipt, custody, and distribution of the public funds.

In pursuance of his duties and responsibilities the Fiscal Assistant Secretary maintains contacts with departments, bureaus, corporations, and other branches of the Government with respect to their financial operations and coordinates such operations with those of the Treasury.

The Office of the Fiscal Assistant Secretary consists of a small staff which performs these principal functions: (a) preparing periodic estimates forecasting the future cash position of the Treasury for use in connection with the Department's financing; (b) maintaining the daily cash balances carried with the various Federal Reserve Banks; (c) preparing calls for the withdrawal of funds from special depositaries for payment into the Federal Reserve Banks to meet current expenditures of the Government; (d) directing the transfer of Government funds between Federal Reserve Banks when necessary; (e) handling certain foreign exchange transactions; (f) reviewing the procedure and operations of the constituent bureaus of the Fiscal Service from the standpoint of efficiency and economy, and (g) directing fiscal agency functions in general.

Continuous studies of the operating procedure of the component bureaus of the Fiscal Service are made to insure that such procedure is adequate and functioning efficiently. The studies are also for the purpose of providing a basis for continually strengthening, improving, and simplifying fiscal procedure from an over-all standpoint. The volume of work and the complexity of the operations of the Fiscal Service have made this necessary in the past and it is to be expected that the transition from war to peace will present new and challenging problems, all of which has and will continue to require the most expert

technical study, planning, and execution with respect to operations. The studies and other related assignments are carried on in collaboration with the staffs of the bureaus concerned and are closely correlated with the work which is performed by the Bureau of Accounts in the accounting and financial reporting field under the provisions of Reorganization Plan III. In this connection the Fiscal Assistant Secretary looks to the Bureau of Accounts for technical advice and assistance on accounting matters in all fields.

The activities of the Bureau of Accounts, the Bureau of the Public Debt, and the Office of the Treasurer of the United States are discussed in the following pages.

#### BUREAU OF ACCOUNTS

The supervision of the administration of the accounting functions and activities in the Treasury Department and all its bureaus, divisions, and offices is exercised under the direction of the Secretary of the Treasury by the Fiscal Assistant Secretary through the Commissioner of Accounts. The function of authorizing the installation, maintenance, revision, and elimination of accounting records, reports, and procedures in the Treasury Department is exercised by the Fiscal Assistant Secretary through the Commissioner of Accounts.

The Commissioner of Accounts, at the head of the Bureau of Accounts, has supervision over the activities and functions of the Division of Bookkeeping and Warrants, Division of Disbursement, Division of Deposits, Section of Surety Bonds, and Section of Investments.

#### *Office of Commissioner of Accounts*

*Budgetary administration and financial reporting.*—Under Executive Order 8512, dated August 13, 1940, prescribing regulations for the purpose of improving budgetary administration and financial reporting, the Secretary of the Treasury, with the approval of the Director of the Bureau of the Budget, was directed to establish (a) uniform accounting terminology, (b) uniform classifications of assets and liabilities, and revenues and expenditures, and (c) uniform standards for the valuation of assets and the determination of liabilities and the treatment of revenues and expenditures in relation thereto; and to maintain a complete system of summary accounts through which the financial data of the various agencies will be coordinated and integrated.

On March 3, 1942, the order was amended by Executive Order 9084, which provides that prior to establishing uniform terminology, classifications, principles, and standards, they be referred to the Comptroller General of the United States, for consideration and determination as to whether they are in conflict with the forms, systems, and procedures prescribed by the Comptroller General as required by Section 309 of the Budget and Accounting Act.

The President, in a letter dated April 7, 1944, requested the Administrator of the Foreign Economic Administration to establish a clearing house which would obtain information on foreign transactions—including transactions on account of international aid, relief in liberated areas, procurement abroad, loans and financial aid, inventories, information concerning military and nonmilitary instal-



lations, improvements, and stock piles abroad, and all other governmental outlays and disbursements abroad, as well as receipts from abroad. The President's letter further directed that the facilities established by Executive Order 8512, as amended, should be utilized whenever appropriate in collecting information on cash disbursements, receipts, and other related financial transactions abroad. Pursuant to this request, the Bureau of Accounts collaborated with the Foreign Economic Administration in the development and promulgation of a series of Budget-Treasury regulations relating to reports of financial transactions abroad.

Further information relating to financial reporting under Executive Order 8512, as amended, will be found on page 129, under the caption Financial reports.

*Reorganization Plan No. III.*—A study of the fiscal operations of the Treasury Procurement Division is in progress. This study embraces the accounting processes, records, equipment, and organization. It covers specific programs such as procurement for lend-lease and for the United Nations Relief and Rehabilitation Administration. The objective is to accomplish constructive improvement in the accounting records and processes and the strengthening of the finance organization to produce the most effective operational results.

Studies were made, procedure was developed, and recommendations were submitted for improving the accounting for surplus property which was a responsibility of the Treasury Procurement Division up to the time that the function was transferred on May 1, 1945, to the Department of Commerce by Executive Order 9541.

A joint survey with the Office of the Treasurer was made of the methods and procedure employed in that office in the processing of card checks with a view to determining the cause of apparent excessive costs and problems in handling such checks. The study resulted in certain changes in equipment, organization, and methods, and reduction in the cost of handling punched card checks below that of paper checks.

Assistance was given the Bureau of Customs in designing an improved system for the development of personnel and budget statistics by the use of punched cards, and to other bureaus and offices of the Treasury in the improvement of accounting and reporting forms, particularly the Bureau of the Mint which redesigned its ledgers for the bullion fund and for administrative appropriation accounting.

In collaboration with the Bureau of Internal Revenue, regulations were developed for the guidance of all Government agencies in the withholding and reporting of income tax on wages of Government employees. Also special procedure was developed for the War and Navy Departments for the payment of withheld taxes through the Federal Reserve Banks, and this resulted in the elimination of several hundred special deposit accounts.

Bureau of the Budget circular dated December 1, 1944, provided for uniform semimonthly pay periods, ending on the 15th and last days of the month, and required that pay rolls be prepared after the close of the pay period and payment be made within 12 days thereafter, in accordance with a schedule of pay days to be established by the Secretary of the Treasury. The staff made the detailed arrangements with all Government departments and agencies as well as with the bureaus and offices of the Treasury for establishing the amount of pay lag,

absorbing the lag on a graduated basis over a period of time, and setting the new pay days under a coordinated schedule that would satisfy the agencies' respective needs and avoid congestion in the check-writing and check-cashing facilities. The Federal Employees Pay Act of 1945, dated June 30, 1945, which prescribed new pay rates and biweekly pay periods required a revision of the pay day schedule to provide an even flow of work for the Division of Disbursement, and avoid an overload on check-cashing facilities.

The procedure for the decentralization of check payments, by which checks drawn on the Treasurer of the United States are paid by Federal Reserve Banks and the related program of the conversion of paper checks to tabulating card checks, were under further study by the accounting staff through the fiscal year. The annual savings from the project continued at substantially the same as prior years. During the fiscal year 1945 over two-thirds of all checks paid by the Treasurer of the United States (including those issued by disbursing officers of the War and Navy Departments) were tabulating card checks.

*Checks paid by the Treasurer of the United States, fiscal year 1945*

	Number	Percent
Tabulating card checks:		
Paid in Washington.....	15, 491, 616	4. 66
Paid through Federal Reserve Banks.....	211, 083, 531	63. 50
Total tabulating card checks.....	226, 575, 147	68. 16
Paper checks:		
Paid in Washington.....	105, 851, 502	31. 84
Total checks.....	332, 426, 649	100. 00

*Daily Statement of the United States Treasury.*—Beginning with the fiscal year 1945, the Combined Statement of Assets, Liabilities, and Capital of Government Corporations and Credit Agencies was prepared quarterly and published in the daily Treasury statement for the 15th day of the second month following the close of the quarter, beginning with the quarter ended September 30, 1944, instead of monthly as theretofore. Effective November 15, 1944, deposits in national and other bank depositaries, including foreign depositaries, to the credit of Government officers other than the Treasurer of the United States were no longer reflected as assets and liabilities of the General Fund of the Treasury. In order to conform with the organizational set-up of the Department of Agriculture, a rearrangement of the classification of its expenditures was made, beginning with the month of July 1944. Other changes in classifications were made as a result of the transfer of functions under Executive Orders 9488, 9490, and 9541 to the Office of War Mobilization and Reconversion, the War Production Board, and the Department of Commerce, respectively.

*Annual appraisal of assets and liabilities of the Commodity Credit Corporation.*—The act approved March 8, 1938 (52 Stat. 107), as amended by the act approved July 1, 1941 (55 Stat. 498), requires the Secretary of the Treasury to make an appraisal as of March 31 of each year of the assets and liabilities of the Commodity Credit Corporation for the purpose of determining the net worth of the Corporation. Public Law 30, approved April 12, 1945, amending the act of March 8, 1938, as amended, provides that this appraisal be made as of the 30th

of June each year, beginning June 30, 1945. In the event that any such appraisal shall establish that the net worth of the Corporation is less than \$100,000,000, the Secretary of the Treasury is to submit an estimate and recommend that the Congress appropriate the funds necessary to restore the capital impairment. In the event any appraisal shall establish that the net worth of the Corporation is in excess of \$100,000,000, such excess must be deposited by the Corporation in the Treasury as miscellaneous receipts. In the act approved February 28, 1944 (58 Stat. 105), the Comptroller General is required to make an annual audit of the financial transactions of the Corporation beginning with the fiscal year 1945, and furnish a copy of each audit report to the Secretary of the Treasury for his consideration in appraising the assets and liabilities for determining the net worth of the Corporation under the act of March 8, 1938, as amended. The following statement shows the results of appraisals.

Appropriations for restoration of capital impairment:		Amount
Act of June 25, 1938 (appraisal as of Mar. 31, 1938, H. Doc. 670, 75th Cong.)	-----	\$94,285,404.73
Act of Aug. 9, 1939 (appraisal as of Mar. 31, 1939, H. Doc. 317, 76th Cong.)	-----	119,593,918.05
Act of July 3, 1941 (appraisal as of Mar. 31, 1941, H. Doc. 248, 77th Cong.)	-----	1,637,445.51
Act of Apr. 25, 1945 (appraisal as of Mar. 31, 1944, H. Doc. 48, 79th Cong.)	-----	<sup>1</sup> 256,764,881.04
Total appropriations	-----	472,287,649.33
Less amount returned to Treasury:		
Appraisal as of Mar. 31, 1940	-----	\$43,756,731.01
Appraisal as of Mar. 31, 1942	-----	27,815,513.68
		<hr/> 71,572,244.69
Net payments to Corporation	-----	400,715,404.64

<sup>1</sup> Includes \$39,436,884.93 appropriated for capital impairment applicable to Mar. 31, 1943, appraisal.

*Securities and funds, Philippine invasion.*—Since the recent liberation of the Philippine Islands and the release of military and civilian internees, the Department has had requests for the return of valuables delivered for safekeeping at the time of the Japanese invasion. Such requests are being examined, and restitution is being made as rapidly as possible in each case. Because of the many deaths among interested parties and the necessity of reorganizing many commercial, industrial, and financial establishments, it will be necessary in some cases to await action by Philippine or other courts to establish authority of individuals to request return or reimbursement.

The liberation of the Philippines also released for presentation a large number of United States Treasury checks which had been sequestered since 1941. Practically all of these checks, under the act of June 26, 1934, are not negotiable because they are over one full fiscal year old. Arrangements were made jointly by the War Department, the General Accounting Office, and the Treasury Department to permit Army finance officers to make payment on over-age checks drawn over Army symbols and held by the original payees. The officer cashing such checks forwards them for presentation to the General Accounting Office for settlement. Other classes of checks are forwarded direct to the General Accounting Office by the owners. In addition, many other checks were destroyed by payees or holders in due course to prevent their seizure by the enemy. Claims for destroyed checks are being transmitted to the Treasury for examination and for referral to the General Accounting Office for settlement from "Outstanding Liabilities."

*Foreign exchange transactions.*—In connection with war activities, it has been necessary to authorize disbursing officers of the United States for official purposes or for the accommodation of military, naval, and civilian personnel of the United States Government, and



of contractors and authorized nongovernmental agencies operating with the armed forces of the United States, to cash and negotiate checks, drafts, bills of exchange, and other instruments and to conduct exchange transactions. Public Law 554, approved December 23, 1944, pertains to such transactions. The act provides that any gains in the accounts of disbursing officers resulting from operations thereunder shall be paid into the Treasury as miscellaneous receipts. Appropriations are authorized to adjust any deficiencies in such accounts. A copy of the act appears as exhibit 53, page 433.

*Special deposit accounts for foreign currencies.*—The armed forces of the United States and its Allies have required special military and supplemental currencies for use in liberated and occupied territories. The Treasury Department has printed certain stocks of such currencies for the War Department for delivery to central funding agencies which supply individual accountable officers of these forces upon requisition. In order that appropriations by the Congress will not be supplemented by the expenditure of currency so requisitioned, arrangements have been made whereby advances of currency to individual accountable officers are reported to the Treasury. On the basis of these reports, the official checking account of the particular officer concerned is charged in the dollar equivalent of the requisitioned special currency, at the official rate of exchange, and a like amount is credited to a special deposit account in the name of the Treasurer of the United States. The administrative accounts for each kind of currency are maintained in the Bureau of Accounts.

Members of the armed services abroad are permitted to authorize allotments of their pay, and to make remittances home. These transactions are computed in United States dollars, and only the net amount of pay and allowances, after all deductions, is paid in local currency. These currencies are placed in circulation as the net amount drawn by members of the armed forces is spent in the area. On October 10, 1944, the President announced his decision to make available to the Italian Government the dollar equivalent of lira currency disbursed as net pay of United States troops in Italy, for the purchase of essential civilian supplies in the United States. This policy has been extended by agreement to other nations of continental Europe. Upon certification by the War Department of the dollar equivalent of net troop pay, the Treasury Department withdraws the certified amount from the appropriate special deposit account described in the preceding paragraph and makes the United States dollars available to the foreign country for the purchase of essential civilian supplies.

*Refunds under Renegotiation Act.*—The first Deficiency Appropriation Act, 1945, approved April 25, 1945, appropriated such amount not exceeding \$15,000,000 as may be necessary to pay refunds required by Section 403 (a) (4) (D) (relating to the recomputation of the amortization deduction) and by Section 403 (i) (3) (relating to excess inventories) of the Renegotiation Act, and to refund any amount finally adjudged or determined to be erroneously collected by the United States pursuant to a unilateral determination of excessive profits. In accordance with the act, refunds will be paid by the Secretary of the Treasury on the basis of certificates made by the War Contracts Price Adjustment Board.

*Liquidation of war agencies.*—On December 1, 1944, there was turned over to the Treasury Department the liquidation of the fiscal



affairs of the Division of Central Administrative Services of the Office for Emergency Management. This liquidation was assumed by the Bureau of Accounts under Executive Order 9471, dated August 25, 1944, which abolished the Division of Central Administrative Services and transferred its functions to other agencies of the Government. Basically, the liquidation activities, which will extend into the fiscal year 1946, involve the payment of claims and other obligations, providing information in reply to exceptions taken by the General Accounting Office in disbursing accounts, the winding up of accounting work, the answering of inquiries concerning past transactions, the preparation of records for the archives, and the writing of a final report. By Executive Order 9568, dated June 4, 1945, the Secretary of the Treasury, acting through the Bureau of Accounts, was designated to wind up the residual affairs of the Office of Civilian Defense. It is expected that the Treasury Department will assume similar liquidating functions in connection with certain other war agencies.

*Advances to Federal Reserve Banks for industrial loans.*—Advances to Federal Reserve Banks for industrial loans were authorized by the act approved June 19, 1934 (48 Stat. 1105), which amended the Federal Reserve Act, as amended, by adding Section 13 (b). The provisions under which the Secretary of the Treasury makes these advances were described on pages 184 and 185 of the annual report for 1940.

No advances were made to the banks during the fiscal years 1939 through 1945, the latest advance having been made October 14, 1937. Amounts received by the Treasury during the year aggregated \$326,717.69. The following statement summarizes the transactions in connection with these advances to Federal Reserve Banks.

*Advances to Federal Reserve Banks for industrial loans, and payments by such banks to the Treasury, through June 30, 1945*

Federal Reserve Bank	Advances by Treasury		Payments received by Treasury	
	Maximum authorized	Total advances through June 30, 1945	During fiscal year 1945	Total through June 30, 1945
Atlanta.....	\$5,272,031.55	\$756,934.44	\$15,138.69	\$69,291.63
Boston.....	10,230,236.88	2,875,115.98	57,502.32	221,191.24
Chicago.....	19,748,516.70	1,417,701.33	5,713.45	148,102.52
Cleveland.....	14,146,863.66	1,015,571.33	-----	74,881.19
Dallas.....	4,359,338.10	1,251,788.08	513.57	100,404.03
Kansas City.....	4,131,276.30	1,145,717.73	17,973.27	63,328.28
Minneapolis.....	3,509,467.65	1,007,746.96	20,154.94	55,114.84
New York.....	42,529,210.65	7,752,044.63	80,059.16	215,201.54
Philadelphia.....	14,620,883.52	4,198,400.60	83,968.01	631,379.13
Richmond.....	5,808,291.43	3,420,662.05	2,558.38	166,347.41
St. Louis.....	5,093,112.25	547,832.83	-----	7,062.86
San Francisco.....	9,850,323.30	2,156,795.01	43,135.90	86,271.80
Total.....	439,299,556.99	27,546,310.97	326,717.69	1,838,576.47

*Colorado River Dam fund.*—The Colorado River Dam fund was established under the act of December 21, 1928 (43 U. S. C. 617), which provided for the construction of works commonly referred to as the Boulder Canyon project. All revenues and expenditures pertaining to the fund are under the direction of the Secretary of the Interior. The Secretary of the Treasury was authorized to make advances to the fund in such amounts as deemed necessary by the Secretary of the Interior, in the aggregate not exceeding the sum of \$165,000,000.

Under an act of Congress approved July 19, 1940 (54 Stat. 774; 43 U. S. C. 618), the Secretary of the Interior was authorized to promulgate and to put into effect charges for electrical energy generated at Boulder Dam. The act further provides that the receipts from these charges be used to meet costs of operation and maintenance; to repay to the Treasury, with interest, the advances made to the fund for the project; to provide \$300,000 annually to each of the States wherein the project is located, namely, Arizona and Nevada, beginning with the year of operation ended May 31, 1938; and to transfer \$500,000 annually to the Colorado River development fund beginning with the year of operation ended May 31, 1938.

The act states that the first \$25,000,000 of advances made by the Treasury to the Colorado River Dam fund shall be deemed an allocation for flood control, and repayment of such advances shall be deferred without interest until June 1, 1987, after which time repayment shall be made in the manner Congress shall determine. For this reason, this sum of \$25,000,000 is not included under the caption "Advances" in the statement below.

The act further stipulates that interest charges for purpose of advances and reimbursements shall be computed at the rate of 3 percent, in lieu of the 4 percent rate specified in previous legislation. The statement which follows is on an operating year basis and reflects the necessary revisions required under the act approved July 19, 1940.

*Status of Colorado River Dam fund as of close of each operating year, 1933 through 1945*

Operating year ended May 31	Charges <sup>1</sup>				Credits <sup>2</sup>		Balance due
	Advances	Interest on advances	Interest on amount outstanding	Total	Reimbursements	Interest on reimbursements	
1933	\$11,890,532.62	\$101,529.95	-----	\$11,992,062.57	-----	-----	\$11,992,062.57
1934	18,424,397.76	249,674.11	\$359,761.88	19,033,833.75	-----	-----	19,033,833.75
1935	23,607,521.44	399,464.48	930,776.89	24,937,762.81	-----	-----	24,937,762.81
1936	19,976,009.81	319,761.45	1,678,909.77	21,974,681.03	-----	-----	21,974,681.03
1937	7,410,641.30	147,073.83	2,338,150.21	9,895,865.34	-----	-----	9,895,865.34
1938	5,685,000.00	88,848.90	2,635,026.17	8,408,875.07	\$1,100,000	\$30,221.91	7,278,653.16
1939	5,590,265.49	74,926.12	2,853,385.76	8,518,577.37	4,600,000	67,101.35	3,851,476.02
1940	4,050,000.00	67,278.68	2,968,930.04	7,086,208.72	3,500,000	56,377.05	3,529,831.67
1941	4,800,000.00	87,875.34	3,074,824.99	7,962,700.33	7,000,000	93,780.80	868,919.53
1942	3,546,585.62	56,152.98	3,100,892.58	6,703,631.18	2,000,000	41,753.42	4,661,877.76
1943	4,700,000.00	99,139.68	3,240,748.91	8,039,888.59	2,000,000	10,849.32	6,029,039.27
1944	2,725,000.00	45,625.00	3,421,620.09	6,192,245.09	5,000,000	49,057.38	1,143,187.71
1945	1,400,000.00	20,621.92	3,455,915.72	4,876,537.64	4,500,000	35,383.37	341,154.07
Total	113,805,954.04	1,757,972.44	30,058,943.01	145,622,869.49	29,700,000	384,524.80	<sup>3</sup> 115,538,344.69

<sup>1</sup> Excludes \$25,000,000 of advances allocated to flood control, repayment of which is deferred to June 1, 1987.

<sup>2</sup> Reimbursements have been applied toward reduction of "interest on advances."

<sup>3</sup> Includes \$1,732,390.65 representing unpaid interest.

*Division of Bookkeeping and Warrants*

The Division of Bookkeeping and Warrants, in the name of the Secretary of the Treasury, issues all warrants on the Treasurer of the United States, and under Section 10 of the act of July 31, 1894 (5 U. S. C. 255), maintains the official accounts relating to the receipt, appropriation, and expenditure of the public moneys, covering all departments and establishments of the Government. The Division makes analyses of acts of Congress carrying appropriations and maintains the necessary appropriation accounts in its ledgers; it issues warrants for placing funds to the credit of disbursing officers, for the payment by the Treasury of claims settled by the General Accounting Office, and for covering into the Treasury the revenues and receipts of the Government. The Division also compiles and publishes an annual digest of the appropriations made by Congress.

In view of the large number of claims certified by the Comptroller General of the United States for submission by the Treasury through the Bureau of the Budget to Congress under appropriations, the balances of which have lapsed and reverted to the surplus fund, and for the purpose of expediting the payment thereof, legislation was introduced and passed (Public Law 40, approved April 25, 1945) establishing an indefinite appropriation for the payment of such claims so certified for payment in amounts not to exceed \$500 in any case, during the fiscal years 1945 and 1946. This streamlining of the certified claims procedure has enabled the Treasury Department to pay promptly claims of \$500 and under.

Donations accepted by the Secretary of the Treasury under the Second War Powers Act, 1942, as amended, are shown in the table on page 107.

*Financial reports.*—There is compiled and published, in accordance with 5 U. S. C. 264, an annual Combined Statement of Receipts, Expenditures, and Balances of the United States Government, designating the amounts of receipts, whenever practicable, by ports, districts, and States, and the expenditures by each separate head of appropriation. This report is required to be submitted to the Congress on the first day of the regular session in each year.

Other financial statements pertaining to the receipts, appropriations, and expenditures of the Government and its various agencies are prepared periodically during the year for inclusion in the daily Treasury statement, the monthly Treasury Bulletin, and the Annual Report of the Secretary of the Treasury.

A quarterly statement of assets, liabilities, and capital of Government corporations and credit agencies, and other data relating to the financial condition of such corporations and credit agencies are compiled from financial data submitted by the corporations and credit agencies under Budget-Treasury Regulation No. 3 (Executive Order 8512, as amended), for inclusion in the daily Treasury statement, the monthly Treasury Bulletin, and the Annual Report of the Secretary of the Treasury. The first such statement appeared in the daily Treasury statement for November 15, 1944, covering the quarter ended September 30, 1944. Subsequent quarterly statements were published in the daily Treasury statement for the 15th day of the second month following the end of the quarter, with the exception of the quarter ended June 30, 1945, which publication appeared in the



daily Treasury statement for August 17, 1945. Beginning with the quarter ended March 31, 1945, the assets, liabilities, and proprietary interest relating to certain Government agencies were segregated from the financial data relating to Government corporations and published separately in the aforementioned publication. Also, a statement of contingent liabilities of the United States is published in the daily Treasury statement on the first day of each month. These statements, as of June 30, 1945, will be found as tables 87 and 53, beginning on pages 645 and 602 of this report.

A complete annual financial report from information submitted by Government corporations and credit agencies under Budget-Treasury Regulation No. 2 (Executive Order 8512, as amended) is also compiled.

A summary report is compiled monthly from financial data submitted by the departments and agencies under Budget-Treasury Regulation No. 1 (Executive Order 8512, as amended). This summary report consists of a series of tables showing the current status of the appropriations and contract authorizations available to each agency of the Government during the fiscal year in progress. A section of the report is devoted to war activities in order to give a complete picture of that program since July 1, 1940.

### *Division of Disbursement*

The Division of Disbursement exercises the disbursing functions, in Washington and in the field, for all departments and establishments of the Government, with the exception of the Post Office Department, United States marshals, the Panama Canal, special disbursing agents of the War and Navy Departments, and certain Government corporations. Civilian pay rolls and expenses of the War and Navy Departments in Washington are paid by the Division of Disbursement in normal times.

Disbursing functions were maintained at 20 points in foreign countries on account of war activities. On June 30, 1945, the Division maintained in the United States the Central Office in Washington, D. C., 20 regional offices, and 11 subregional offices handling emergency crop and feed loan payments for the Farm Credit Administration; and 5 regional offices in Alaska, Puerto Rico, Hawaii, the Philippine Islands, and Panama. There were also 52 employ  es of the State Department functioning as disbursing officers by delegation of authority from the Division of Disbursement made pursuant to Executive Order 6166, dated June 10, 1933, rendering accounts in their own names for the State Department and war agencies.

During the year the Division made 81,845,548 payments by check and made cash payments in 987,896 instances. These payments were supported in the disbursing accounts by 7,346,833 pay rolls and other vouchers. The Division also received, deposited, and accounted for 8,657,132 collection items. Included in the foregoing are 11,347,726 items for payments and collections for agencies which have been established in connection with the war effort.

*Voluntary payroll allotment plan.*—In connection with the voluntary payroll allotment plan for the purchase of war savings bonds, the Chief Disbursing Officer was the bond issuing officer for departments and agencies served by the Division of Disbursement.

During the year there was collected by the Division of Disbursement, through withholdings from salaries of Federal employees, the



sum of \$127,458,580.44 on account of bond allotments, and \$519,-858.00 to cover cash sales made during the 5th, 6th, and 7th War Loan Drives. There were 4,554,624 war savings bonds issued by the Division, for which \$128,249,993.75 was covered into the Treasury as public debt receipts. The excess of issues over deposits is due to the balance in the special deposit account on July 1, 1944.

*Withheld tax.*—In accordance with Public Law 753, approved October 21, 1942, and Public Law 68, approved June 9, 1943, there was withheld by the Division of Disbursement from salaries of Federal employees on account of the withholding tax the sum of \$184,686,-658.34. These funds were currently deposited into a special deposit account in the Treasury to the credit of the Chief Disbursing Officer, and were paid over to the collectors of internal revenue quarterly, as provided by regulations, on the basis of vouchers submitted by the administrative agencies concerned.

*Bonding of certifying officers.*—Under the provisions of Public Law 389, approved December 29, 1941, providing for the bonding of officers and employees authorized to certify vouchers for payment by disbursing officers in the executive branch of the Government, there were approximately 9,300 such bonded certifying officers at the close of the fiscal year 1945.

*Tabulating card checks.*—The conversion from paper checks to card checks on all but a few disbursing symbols, which it has not been deemed feasible to convert, resulted in the issuance of 79,065,274 checks of which 64,553,906 were payable by Federal Reserve Banks as agents of the Treasurer of the United States. This eliminated the handling of these checks by the Treasurer's Office in Washington.

*Agent cashiers.*—There are approximately 2,041 employees of other Government agencies who are bonded and designated as agent cashiers to the Chief Disbursing Officer of the Treasury Department. The majority of these agent cashiers are located in the United States and make emergency payments which it has been found impracticable to make through the regional disbursing offices of the Division of Disbursement because of the need for immediate cash payments. The other agent cashiers are appointed for duty in various parts of the world in connection with war operations.

*Foreign payments.*—With cessation of the war it has been necessary to make arrangements to resume payments to creditors of the United States Government abroad. The Division of Disbursement has facilities for making payments in several ways: (a) By the establishment of an account to the credit of the Chief Disbursing Officer in the currency of the country involved on which he issues checks to the payees and forwards them through the diplomatic facilities of the Department of State, (b) by arranging for the State Department to instruct by cable its representatives in foreign countries, who function as disbursing officers by delegation of authority from the Division of Disbursement, to effect payment in local currency either by purchasing the local currency by check drawn on the Treasurer of the United States or by selling a draft for local currency, (c) by sending dollar checks issued in favor of the payees to the countries for which a license for the release of dollar checks has been granted, (d) by transmitting dollar checks to the War Department with request that Army Finance Officers abroad make payments in local currency. In this manner the Division of Disbursement has been

able to effect payments to veterans' beneficiaries, to holders of adjusted service certificates, and to other creditors of the United States.

In addition to the foregoing, the Division of Disbursement has kept employees of other agencies, to whom has been delegated the function of disbursement as agent cashiers to the Chief Disbursing Officer, supplied with funds through its facilities abroad. This has obviated the necessity of agent cashiers carrying larger balances than are necessary for current disbursements since prompt replenishment of their funds may be made locally.

*Payroll procedure.*—During the past year, there was installed as an experiment by the payroll offices of the Bureau of Accounts of the Treasury Department, the Bureau of the Budget, and the General Accounting Office, a new payroll procedure developed by a joint committee composed of representatives of these three agencies. The principal features of this procedure are uniform pay periods, a payday lag, establishment of predetermined payroll totals through the use of control registers, the use of change slips to advise all persons concerned with payroll preparation as well as the employee of changes in pay, a so-called skeleton pay roll showing only the name, net amount of pay, and check number, and an audit by the General Accounting Office at the place where the administrative records are maintained. In view of the advantages in this new procedure developed during the experimental period, its use has been prescribed by the General Accounting Office effective July 1, 1945, for 21 additional agencies with approximately 50 thousand employees. Its early extension to all agencies is contemplated.

*Payday lag.*—Under the new system of payday lag, established by Budget Circular No. A-36, dated December 1, 1944, the number of payroll check cancellations handled by the Division of Disbursement has been reduced by more than 50 percent. A similar decrease has been observed in the number of supplemental pay rolls presented for payment.

*Duplicate check procedure.*—The number of duplicate checks approved has increased from 16,537 in the fiscal year 1942, representing \$3,245,071.33, to 58,989 in 1945, representing \$29,124,636.06.

In order to meet the demands of the increased volume of duplicate check claims and to reduce to a minimum the time required to approve such claims, an intensive study was undertaken and the duplicate check procedure simplified as outlined in Department Circular No. 327, revised April 29, 1944. This has resulted in a material reduction in the time required to approve duplicate checks on behalf of the Secretary of the Treasury.

*Outstanding liabilities.*—Under Section 21 of the Permanent Appropriation Repeal Act, approved June 26, 1934 (48 Stat. 1235), the activities relative to checks which have remained outstanding one full fiscal year after the fiscal year in which issued have materially increased during the fiscal years 1944 and 1945 because of the greater number of checks issued since Pearl Harbor. That increase is reflected in the following data.

	1942	1943	1944	1945
Number of items covered.....	76,286	47,994	65,971	81,363
Number of claims forwarded to General Accounting Office.....	3,787	3,486	4,081	7,653
Number of certificates of settlement processed.....	6,410	4,232	5,841	8,211

*Suspensions and disallowances.*—Private Law 2, approved February 28, 1945, authorizes and directs the Comptroller General of the United States to allow credit (1) for certain definite stated amounts in the accounts of the Chief Disbursing Officer, Treasury Department, and certain former disbursing clerks operating under the Division of Disbursement, and (2) for the amounts of all suspensions and disallowances raised, or which may be raised, against the said Chief Disbursing Officer and for disbursing clerks on account of payments made in accordance with vouchers certified by duly authorized certifying officers during the period December 16, 1933, through March 31, 1942, provided that the Secretary of the Treasury certifies that in his opinion there is no evidence of fraud on the part of the said Chief Disbursing Officer or disbursing clerks in connection with such payments.

This legislation will have the effect of materially reducing the work of handling suspensions and disallowances in the Division of Disbursement after all of the items have been cleared by the Comptroller General in accordance with this legislation.

*Transactions in commodity stamps.*—This program was discontinued on March 1, 1943. The redemption of stamps outstanding is still in process, although in small quantities. After the cessation of the program, stamps in the possession of issuing agencies were returned, and refund was made for the stamps for which payment had been received. The Comptroller General of the United States, the Administrator of the War Food Administration, and the Secretary of the Treasury agreed on a proposal for a joint inventory by representatives of each office, and the destruction under the supervision of such representatives of the stock of issued stamps. Under the foregoing procedure, unused stamps issued to the War Food Administrator for investigation purposes were destroyed during March 1945. During the fiscal year 1945, \$463,792 of stamps were returned by issuing offices, and \$115,736 redeemed. The amount outstanding as of June 30, 1945, was \$1,445,718. A table showing commodity stamps issued and redeemed for the fiscal years 1939 through 1944, will be found on page 836 of the Annual Report of the Secretary of the Treasury for the fiscal year 1944. The details as to the operation of the program will be found in the annual report for 1941, on pages 97 and 98.

### *Division of Deposits*

The Division of Deposits is charged with the administration of matters pertaining to the designation and supervision of Government depositaries and the deposit of Government funds in such depositaries, as prescribed by the regulations incorporated in Department Circulars Nos. 92, 176, and 714, as amended; the qualification of Federal savings and loan associations as fiscal agents of the United States under Circular No. 568; the maintenance of a record of cash collateral pledged in lieu of securities by issuing agents described under Circular No. 657 for the sale and issuance of war savings bonds, Series E; and the execution of the duties devolving upon the Secretary of the Treasury as a result of the enactment of the Government Losses in Shipment Act, as amended.

*Depositary functions.*—The following statement shows the number and classes of depositaries maintained by the Treasury and the Government deposits held by such depositaries as of June 30, 1945.



*Number of depositaries and amount of Government deposits held on June 30, 1945,  
by classes of depositaries*

Depositaries	Number	Amount
Federal Reserve banks (including branches).....	12	\$1, 499, 701, 318. 89
Insured bank depositaries:		
To credit of Treasurer of United States.....	1 2, 074	174, 408, 022. 45
Insular and territorial depositaries (including Philippine Treasury):		
To credit of Treasurer of United States.....	31	{ 61, 185, 867. 80
To credit of other Government officers.....		
Foreign depositaries:		
To credit of Treasurer of United States.....	180	{ 16, 322, 069. 87
To credit of other Government officers.....		
Special depositaries.....	10, 870	22, 621, 653, 000. 00
Total.....	13, 167	2 24, 485, 467, 466. 60

<sup>1</sup> Includes depositaries authorized to accept deposits to the official credit of Government officers other than the Treasurer of the United States.

<sup>2</sup> Does not include \$8,408,500 time deposits with depositaries for withheld taxes.

During the year there were 2,397 changes and adjustments effected in depositaries located in the continental United States, territories, island possessions, and foreign countries, which are authorized to carry on their books accounts to the credit of the Treasurer of the United States and the official checking accounts of Government officers. These changes and adjustments are summarized in the following table.

Type of adjustment	Number
Designated.....	321
Discontinued.....	288
Amount for which qualified:	
Increased.....	822
Decreased.....	484
Miscellaneous changes.....	482
Total.....	2, 397

Changes and adjustments, which include designations, discontinuances, and changes in the authority of the individual depositaries, are made in accordance with the need for depositary facilities by officers of the War, Navy, and other departments and agencies.

*Designation of banks as depositaries for withheld taxes.*—The current Tax Payment Act of 1943 became effective July 1, 1943, introducing several changes relating to the collection and payment of income taxes. The act provides for the collection at the source of income taxes on salaries and wages. Under regulations issued by the Treasury the major proportion of the accumulated funds are deposited monthly by employers in certain designated depositary banks, against which the depositaries issue their receipts to the employers. These receipts are transmitted with quarterly tax returns filed with collectors of internal revenue. Amounts deposited in the depositaries are promptly remitted to the Federal Reserve Banks for credit in the Treasurer's account. This procedure has made these funds available to the Treasury on a more current basis, as compared with the previous method of quarterly tax payments.

Department Circular No. 714, as amended, prescribes regulations governing the payment through depositary banks of funds withheld as taxes in accordance with the provisions of the act. As of June 30,



1945, 9,294 banks were qualified as depositaries for withheld taxes, and 2 percent depositary bonds, Second Series, in the net amount of \$93,379,000 had been allotted to these depositaries. Of this amount, \$84,970,500 of bonds were purchased by the depositaries with their own funds and \$8,408,500 was invested from a like amount of Treasury cash balances maintained with such banks. During the year remittances totaling \$7,386,013,427.35 were received by Federal Reserve Banks and branches from depositaries for withheld taxes.

*Depositary bonds.*—Department Circular No. 660, dated May 23, 1941, as amended, prescribes the regulations of the Treasury governing the issuance of 2 percent depositary bonds. These bonds are allotted to banks designated as depositary and financial agents of the Government and provide an income which offsets the costs incurred by depositaries in handling the Government's business.

As of June 30, 1945, 2 percent depositary bonds, First Series, in the face amount of \$496,082,750 had been issued and \$84,927,750 had been redeemed. The amount outstanding on that date was \$411,155,000, which does not include bonds issued to depositaries for withheld taxes.

*Designation of agencies for the issuance of war savings bonds, Series E.*—The Division maintains a record of cash collateral pledged, in lieu of securities, by designated agents for the sale and issuance of war savings bonds of Series E, as specified in Department Circular No. 657, as amended. As provided in the third amendment, dated July 17, 1942, to Department Circular No. 657, these agents are no longer required to pledge collateral security for consignments of war savings bond stock. As a result of this provision the number of issuing agents which have deposited cash collateral has continued to decrease.

As of June 30, 1945, there were 105 issuing agents qualified by the pledging of cash collateral aggregating \$469,712.

*Federal savings and loan associations.*—On June 30, 1945, the Federal Home Loan Bank System reported to the Treasury that 1,465 Federal savings and loan associations were eligible to qualify as fiscal agents under Department Circular No. 568, dated September 15, 1936, for the purpose of collecting delinquent accounts arising out of insurance and loan transactions of the Federal Housing Commissioner. Of this number, 80 had qualified for this purpose either by the pledge of collateral security or the filing of an acceptable surety bond.

*Social security and veterans' unemployment compensation.*—Under existing arrangements between the Treasury and the Social Security Board, various depositaries of public moneys, designated by the Secretary of the Treasury, are authorized to carry balances of Treasury funds as a basis for servicing State unemployment compensation benefit payment accounts and clearing accounts. During this fiscal year similar arrangements were completed with the Veterans' Administration in connection with veterans' unemployment compensation benefit payment accounts.

As of June 30, 1945, 76 banks were designated for these purposes with authority to maintain Treasury balances totaling \$9,785,000.

*Banking facilities at Army posts and naval stations.*—The Treasury, through the use of its depositary system, continued to provide banking facilities at Army posts and naval stations where it was determined that such facilities would aid in the prosecution of the war. As of

June 30, 1945, 257 depositaries and financial agents of the Government were providing banking facilities at 332 army posts and naval stations. During the fiscal year 1945, 27 facilities were terminated. The following statement shows the character and approximate monthly volume of such business handled by all banking facilities in the United States during the fiscal year 1945.

	<i>Approximate monthly volume</i>
Checks cashed:	
Drawn on Treasurer of the United States (1,125,000).....	\$110,000,000
Other checks cashed (1,410,000).....	80,000,000
Deposits accepted:	
For credit to the Treasurer of the United States.....	58,000,000
Other deposits.....	175,000,000
Cash furnished finance and disbursing officers.....	72,000,000
Savings bonds and stamps sold.....	4,000,000
Sales of travelers' checks, cashiers' checks, bank money orders, etc. (150,000 items).....	16,000,000
Total monthly dollar volume.....	515,000,000

*Government Losses in Shipment Act.*—The Government Losses in Shipment Act, approved July 8, 1937 (50 Stat. 479), as amended by an act approved August 10, 1939 (53 Stat. 1358), was designed to provide within the Government an adequate means of prompt replacement of losses resulting from the shipment of certain articles, things, or representatives of value by the United States, its executive departments, independent establishments, agencies, and wholly owned corporations, thereby obviating the necessity of purchasing insurance from private companies to cover such shipments. The articles, things, or representatives of value, which have been declared by the Secretary of the Treasury to be "valuables" within the meaning of that term as used in Section 7 (a) of the act, include money of the United States and foreign countries, securities and other instruments or documents, precious metals and stones, and works or collections of artistic, historical, scientific, or educational value. The shipment of valuables is governed by regulations designed to minimize the risks of loss, destruction, or damage and to facilitate replacement under the provisions of the act, in the event that such procedure becomes necessary. A revolving fund has been set up from which to make payments for such valuables lost while in course of shipment.

Section 3 (a) of the act provides for the payment out of the fund of losses arising from the agency functions performed by the Post Office Department for the Treasury, irrespective of the manner in which the losses occur, in connection with the sale by post offices throughout the country of United States savings bonds, United States savings stamps, documentary internal revenue stamps, and motor vehicle use tax stamps. Such losses may occur as a result of a fire, theft, shipment of securities and/or funds, burglary or robbery of a post office, embezzlement, or other similar contingencies.

Under the provisions of Section 22 (i) of the Second Liberty Bond Act, as amended by Public Debt Act of 1945 (Public Law 28), the fund is made available for the replacement of any losses resulting from payments made in connection with the redemption of United States savings bonds, under regulations prescribed by the Secretary of the Treasury. In addition to the Treasurer of the United States and the Federal Reserve Banks and branches, the following classes of financial institutions may qualify as paying agents of United States savings bonds: Commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (includ-

ing cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions. No payments have been made out of the fund for this purpose.

The monetary value of shipments reported to have been made by Government departments and agencies during the fiscal year 1945 under the provisions of the Government Losses in Shipment Act, as amended, of the classes of valuables which were covered by the Treasury's contracts with private insurance companies prior to the enactment of the act amounted to \$205,074,207,564. This represents an increase of \$33,817,435,251 over the amount of shipments made during the fiscal year 1944. The estimated premium savings on shipments made during the fiscal year 1945 were more than \$4,200,000, and the premium savings since the inception of the act have been more than \$13,800,000, by using any one of the three bases on which the estimates are made, as shown in the following table.

*Estimated premium savings during the fiscal years 1944 and 1945 and the total estimated savings through June 30, 1945*

On basis of premium rates for—	Fiscal year 1944	Fiscal year 1945	August 15, 1937, through June 30, 1945
Fiscal year 1938 <sup>1</sup> .....	\$3, 583, 000	\$4, 287, 000	\$13, 818, 000
Fiscal year 1937 <sup>2</sup> .....	4, 470, 000	5, 348, 000	17, 441, 000
Fiscal years 1936-38 <sup>3</sup> .....	4, 303, 000	5, 148, 000	16, 769, 000

<sup>1</sup> Lowest rates under insurance contract system.

<sup>2</sup> Rates in effect at time estimates of premium savings were presented to Congress.

<sup>3</sup> Average based on rates effective in last 3 years of Government insurance contract system.

Other classes of valuables covered under the provisions of the Government Losses in Shipment Act, as amended, with an aggregate value of \$250,243,421,233 were shipped during the year; however, these shipments have not been included in the calculation of estimated premium savings in the foregoing table for the reason that the Government did not, as a general practice, insure them prior to the effective date of the act.

The following table shows the loss experience resulting from shipments of valuables under the act from the date of the inception of the act to the close of June 30, 1945.

*Number and amount of claims made, settled, and unadjusted, covering the period from August 15, 1937, through June 30, 1945*

Claims made for losses	Number	Amount
Total claims made through June 30, 1944.....	376	\$1, 404, 134. 00
Claims made during fiscal year 1945.....	112	138, 112. 41
Total through June 30, 1945.....	488	1, 542, 246. 41
Total claims settled through June 30, 1944.....	347	718, 388. 93
During the fiscal year 1945: <sup>1</sup>		
Claims approved for replacement out of the fund.....	102	9, 764. 55
Claims settled by credit in appropriate accounts.....	2	682, 008. 50
Claims settled without replacement or credit.....	5	266. 56
Total claims settled.....	456	1, 410, 328. 54
Claims unadjusted as of June 30, 1945.....	32	131, 917. 87

<sup>1</sup> On basis of vouchers approved by the Secretary of the Treasury.

Section 3 (b) of the Government Losses in Shipment Act, as amended, provides for the issuance of agreements of indemnity by the Secretary of the Treasury for the purpose of enabling Government departments and agencies to obtain the replacement of any instrument or document, such as a bank draft, cashier's check, certified check, warehouse receipt, and the like, received by the United States or by any of its agents in their official capacity, which, after having been so received, was lost, destroyed, or so mutilated as to impair its value. During the fiscal year 1945 the Secretary of the Treasury executed thirty-three agreements of indemnity amounting to \$1,577,507.77, making a grand total to the close of June 30, 1945, of ninety-one agreements in the aggregate amount of \$2,121,015.99. The act provides that any losses which may be sustained by the Government in connection with these agreements of indemnity may be charged to the fund established by the act; however, no actual monetary losses have occurred.

*Status of the revolving fund for the payment of Government losses in shipment as of June 30, 1945*

#### I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1944	Increase or decrease (—), fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Appropriations.....	\$602,000.00	-----	\$602,000.00
Transferred from the securities trust fund (September 21, 1939) <sup>1</sup> .....	91,803.13		91,803.13
Recoveries of payments for losses.....	484.59	\$6,690.43	7,175.02
Total receipts.....	694,287.72	6,690.43	700,978.15
Expenditures:			
Payments for losses (on basis of checks issued).....	2 97,778.81	10,480.04	3 108,258.85
Balance in fund.....	596,508.91	—3,789.61	592,719.30

#### II. FUND ASSETS

	June 30, 1944	Increase or decrease (—)	June 30, 1945
Unexpended balances:			
To credit of disbursing officer.....	\$37,661.73	—\$10,480.04	\$27,181.69
On books of the Division of Bookkeeping and Warrants.....	558,847.18	6,690.43	565,537.61
Total fund assets.....	596,508.91	3,789.61	592,719.30

<sup>1</sup> The act of August 10, 1939 (53 Stat. 1358), amended the Government Losses in Shipment Act, and in Section 1 the Secretary of the Treasury was authorized and directed to transfer to this fund the amount standing to the credit of the securities trust fund.

<sup>2</sup> Includes payment in the amount of \$64.44 representing an excess recovery previously paid into the fund from the securities trust fund.

<sup>3</sup> Includes approximately \$10,000 in settlement of losses which do not represent an actual monetary loss to the Government.

*Revision of certificates of deposit.*—On December 1, 1944, Collectors of Internal Revenue commenced using Form 15 (revised April 1944), which is a consolidation of Forms 15 and 16 previously used. Also, on July 1, 1945, Collectors of Customs commenced using Form 4 (revised February 1945), which is a consolidation of Forms 4 and 5



previously used. The use of these revised forms has greatly reduced the number of certificates of deposit issued by Collectors of Internal Revenue and Customs. In addition, during the year certificates of deposit, Forms 6599 and 6719, were revised. The written amounts were eliminated from the revised forms and the text was rearranged in such manner as to facilitate preparation and handling.

*Change in collateral procedure.*—During the year a procedure was adopted whereby Federal Reserve Banks were given authority to accept collateral of the classes and at the rates prescribed in Department Circular No. 176 tendered by depositaries as security for Government deposits. Federal Reserve banks also were authorized to effect substitutions of collateral in cases where the amount of collateral accepted is not less than the amount released. Prior to the adoption of this procedure Federal Reserve banks were not authorized to accept collateral tendered by banks as security for Government deposits until they obtained approval from the Treasury. This change facilitated the handling of collateral transactions and has resulted in substantial savings.

### *Section of Surety Bonds*

The Secretary of the Treasury, under the act of Congress approved August 13, 1894 (28 Stat. 279), as amended by the act approved March 23, 1910 (36 Stat. 241), issues certificates of authority to corporate surety companies to qualify as acceptable sureties on bonds and other obligations in favor of the United States.

On June 30, 1945, there were 88 domestic companies holding certificates of authority, qualifying them as sole sureties on recognizances, stipulations, bonds, and undertakings permitted or required by the laws of the United States, to be given with one or more sureties. During the year 5 certificates of authority were issued to domestic companies qualifying them as sole sureties on bonds in favor of the United States. There were also 7 branches of foreign companies holding certificates of authority authorizing them to act only as reinsurers on bonds in favor of the United States.

The Section of Surety Bonds reviews the financial statements of surety companies authorized to transact business with the United States; determines their underwriting limitations; makes examinations into their financial condition at their home offices, when necessary; and performs other duties to determine whether the companies observe the requirements of Federal law and the regulations of the Secretary of the Treasury issued pursuant thereto. During the year the financial report forms on which surety companies file copies of their quarterly and semiannual financial statements with the Treasury were revised so as to simplify the forms and relieve the surety companies of a large amount of work in the preparation of such statements for filing with the Treasury as required by the act of August 13, 1894, as amended.

The Section of Surety Bonds has custody of all fidelity bonds in favor of the United States, except those filed with the Post Office Department and the Federal courts, and notifies the accounting officers of the receipt and filing of such bonds. It examines and approves as to corporate surety all fidelity and surety bonds with a few exceptions as referred to above.

During the year 64,176 bonds and consent agreements cleared through the Section for approval as to corporate surety.

Due to the enactment of Public Law 275, approved March 31, 1944, which provides that the payment and acceptance of the annual premium on corporate surety bonds furnished by officers and employees of civilian agencies of the United States shall be a compliance with the requirement for the renewal of such bonds, it was necessary to set up premium payment records on bonds approved by the Secretary of the Treasury on which premium payments are posted and which form the bases on which the accounting and disbursing officers are notified of the payment of the premiums on such bonds.

### *Section of Investments*

The Section of Investments supervises the collections of principal and interest on foreign obligations and on railroad obligations owned by the United States and held by the Treasury; collects on other obligations owned by the United States, which have been turned over to the Treasury by other departments for collection; handles matters relating to the investments and securities held in the custody of the Treasurer of the United States and the Federal Reserve Banks for which the Secretary is responsible, other than those related to public debt operations; makes payments on awards under the Settlement of War Claims Act of 1928, under the claims agreement of October 25, 1934, between the United States and Turkey, and under the acts of April 10, 1935, and December 18, 1942, covering claims against the Republic of Mexico, payment of claims under the Settlement of Mexican Claims Act of 1942, and claims of American Nationals against Mexico—expropriation of petroleum properties—agreement of November 19, 1941; and has administration of special deposit accounts of the Secretary of the Treasury, which cover alien property trust funds in the Treasury, unemployment trust fund, offers in compromise under the provisions of Section 3469 of the Revised Statutes, Philippine trust funds held in interest-bearing accounts, accounts pertaining to withheld foreign check payments, and other special deposit accounts. In connection with these activities, accounts are kept and various related matters are handled by the Section.

### *Obligations of foreign governments*

The United States received during the year payments from the Government of Finland amounting to \$403,499.80 on account of its indebtedness, \$99,272.63 of which applied on principal due and \$304,227.17 on interest due.

The following statement shows the payments due from foreign governments.

*Amounts due and payable, July 1 through December 31, 1944, and January 1 through June 30, 1945*

Country	Funding agreements		Supplemental agreements	Total
	Principal	Interest		
	July 1 through December 31, 1944			
Belgium.....		\$4, 158, 000. 00		\$4, 158, 000. 00
Czechoslovakia.....		2, 293, 742. 91		2, 293, 742. 91
Estonia.....	\$167, 000. 00	286, 265. 00		453, 265. 00
Finland.....	87, 000. 00	134, 750. 00	\$13, 695. 06	235, 445. 06
France.....		38, 522, 865. 00		38, 522, 865. 00
Germany (Austrian indebtedness).....				
Great Britain.....	46, 000, 000. 00	75, 950, 000. 00		121, 950, 000. 00
Greece.....	540, 000. 00	217, 920. 00		757, 920. 00
Hungary.....	17, 885. 00	33, 185. 09		51, 070. 09
Italy.....		2, 490, 875. 00		2, 490, 875. 00
Latvia.....	68, 800. 00	119, 609. 00		188, 409. 00
Lithuania.....		107, 783. 67		107, 783. 67
Poland.....	1, 905, 000. 00	3, 582, 810. 00		5, 487, 810. 00
Rumania.....		907, 559. 81		907, 559. 81
Yugoslavia.....		154, 062. 50		154, 062. 50
Total.....	48, 785, 685. 00	128, 959, 427. 98	13, 695. 06	177, 758, 808. 04
	January 1 through June 30, 1945			
Belgium.....	\$5, 100, 000. 00	\$4, 158, 000. 00		\$9, 258, 000. 00
Czechoslovakia.....	1, 340, 000. 00	2, 293, 742. 91		3, 633, 742. 91
Estonia.....		286, 265. 00		286, 265. 00
Finland.....		133, 227. 50	\$34, 827. 24	168, 054. 74
France.....	61, 299, 035. 28	38, 522, 865. 00		99, 821, 900. 28
Germany (Austrian indebtedness) <sup>1</sup> .....	882, 626. 31			882, 626. 31
Great Britain.....		75, 950, 000. 00		75, 950, 000. 00
Greece.....	547, 000. 00	217, 920. 00		764, 920. 00
Hungary.....		33, 185. 09		33, 185. 09
Italy.....	19, 000, 000. 00	2, 490, 875. 00		21, 490, 875. 00
Latvia.....		119, 609. 00		119, 609. 00
Lithuania.....	60, 875. 00	107, 783. 67		168, 658. 67
Poland.....		3, 582, 810. 00		3, 582, 810. 00
Rumania.....	512, 000. 00	907, 559. 81		1, 419, 559. 81
Yugoslavia.....	697, 000. 00	154, 062. 50		851, 062. 50
Total.....	89, 438, 536. 59	128, 957, 905. 48	34, 827. 24	218, 431, 269. 31

<sup>1</sup> The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

A statement showing the principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of November 15, 1945, appears as table 63 on page 621.

The total amounts previously due from foreign governments on account of their indebtedness to the United States under the funding and moratorium agreements and not paid as of November 15, 1945, according to contract terms, are shown in the following statement.

*Total amounts due and not paid as of November 15, 1945*

Country	Funding agreements		Moratorium agreements annuities	Total
	Principal	Interest		
Belgium.....	\$60,900,000.00	\$97,410,000.00	\$9,689,077.60	\$167,999,077.60
Czechoslovakia.....	33,806,108.90	9,174,971.63	3,656,255.60	46,637,336.13
Estonia.....	1,781,000.01	7,401,995.00	731,705.80	9,914,700.81
Finland.....				
France.....	728,537,299.11	693,411,570.00	60,937,594.40	1,482,886,463.51
Germany (Austrian indebtedness) <sup>1</sup> .....	5,445,996.62		278,137.84	5,724,134.46
Great Britain.....	453,000,000.00	1,881,249,481.58	194,415,301.00	2,528,664,782.58
Greece.....	12,403,000.00	4,892,707.50	1,342,747.60	18,638,455.10
Hungary <sup>2</sup> .....	190,870.00	760,136.47	84,511.60	1,035,518.07
Italy.....	199,500,000.00	41,590,291.74	17,923,117.60	259,013,409.34
Latvia.....	725,300.00	2,974,694.84	305,485.20	4,005,480.04
Lithuania.....	647,320.00	2,631,408.42	273,665.20	3,552,393.62
Poland.....	20,880,000.00	92,641,230.00	9,124,594.20	122,645,824.20
Rumania <sup>3</sup> .....	14,021,560.43	10,890,717.72	975,001.60	25,887,279.75
Yugoslavia.....	6,248,000.00	1,771,718.78	-----	8,019,718.78
Total.....	1,538,086,455.07	2,846,800,923.68	299,737,195.24	4,684,624,573.99

<sup>1</sup> The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

<sup>2</sup> The Hungarian Government has deposited with the foreign creditors' account at the Hungarian National Bank an amount of Hungarian currency equivalent to the interest payments due from December 15, 1932, through June 15, 1937. The debt funding and moratorium agreements with Hungary provide for payments in dollars in the United States.

<sup>3</sup> Excludes the amount of \$100,000 which the Rumanian Government paid the United States Treasury on June 15, 1940, as "a token of its good faith and of its real desire to reach a new agreement" covering Rumanian indebtedness to the United States.

*Special deposit accounts*

*Alien property trust fund.*—A statement of the alien property trust fund as of June 30, 1945, follows.

*Alien property trust fund, June 30, 1945*

Credits (net):		
Trusts.....		\$39,685,973.62
Earnings on investments, etc.....		26,497,974.83
Total.....		66,183,948.45
Assets:		
Investments:		
Participating certificates issued under sec. 25 (e) of the Trading with the Enemy Act:		
Noninterest-bearing.....	\$20,861,206.97	
5% interest-bearing.....	34,347,476.76	
		55,208,683.73
Cash balance with the Treasurer of the United States.....		10,975,264.72
Total fund assets June 30, 1945.....		66,183,948.45

Checks issued by the Treasury Department during the year to the Alien Property Custodian on account of the alien property trust fund amounted to \$25,000, on account of distribution of income.

*Philippine funds in the United States Treasury.*—Under the act of March 8, 1902 (32 Stat. 54), reenacted in Section 3343 (b) of the Internal Revenue Code, approved February 10, 1939, it was provided that all duties and taxes collected in the United States upon articles coming from the Philippine Archipelago and upon foreign vessels coming therefrom were to be held as a separate fund and paid into the treasury of the Philippine Islands to be expended for the government and benefit of the Islands.

A summary follows showing customs duties, tonnage taxes, and internal revenue taxes, exclusive of taxes with respect to coconut oil, appropriated to Philippine accounts and payments therefrom during the fiscal years 1934 through 1945.



Fiscal year	Receipts <sup>1</sup> appropriated	Payments to Philippine Government <sup>2</sup>	Unpaid balance
1934.....	\$527,426.40	\$813,371.78	\$568,653.59
1935.....	491,458.50	502,551.53	557,560.56
1936.....	645,890.13	745,957.75	457,492.94
1937.....	755,865.76	891,725.93	321,632.77
1938.....	813,852.30	934,689.47	200,795.60
1939.....	569,468.06	626,347.68	143,915.98
1940.....	703,874.28	482,106.02	365,684.24
1941.....	538,089.63	2,987.84	900,786.03
1942.....	420,293.47	78.32	1,321,001.18
1943.....	35,192.34	426.77	1,352,975.72
1944.....	4,909.08	37.76	1,357,847.04
1945.....			1,357,847.04

<sup>1</sup> Reduced by amounts carried to surplus fund as follows: 1936, \$17,540.28; 1937, \$9,783.75; 1939, \$15,151.70; 1940, \$957.78; 1941, \$36,822.72; 1942, \$747.58; and 1943, \$2,791.03.

<sup>2</sup> Includes certain refunds and adjustments.

Under the act of June 11, 1934 (48 Stat. 929; 48 U. S. C. 1157), the Secretary of the Treasury was authorized to accept, upon such conditions as he might prescribe, deposits of public moneys of the Philippine Government. The act provided an indefinite appropriation for the payment of interest on such deposits other than demand deposits at such rates not in excess of 2 percent per annum as the Secretary might prescribe.

Thereafter, the Secretary of the Treasury agreed to accept not to exceed \$55,000,000 of Philippine moneys in a time deposit account, amounts deposited with the Treasury by the Philippine Government in excess of that sum to be maintained in a demand deposit account. Since December 10, 1934, the balance in the time deposit account has been maintained at \$55,000,000. The balance in the demand deposit account as of June 30, 1945, was \$371,904,337.21.

Section 602½ of the act of May 10, 1934 (48 Stat. 763), provided that taxes collected with respect to coconut oil wholly of Philippine production or produced from materials wholly of Philippine growth or production should be paid to the treasury of the Philippine Islands subject to certain conditions. An agreement was consummated between the Secretary of the Treasury and the Philippine Government under which coconut oil moneys payable to the Philippine treasury would be transferred on periodic settlements of the General Accounting Office to a special deposit account in the name of the Secretary of the Treasury subject to withdrawal by the Philippine Government on ninety days' notice in writing. Interest at the rate of 2 percent per annum is paid on the daily balances in this account. A summary of transactions in the account from the time of its establishment to date follows.

Fiscal year	Deposits	Withdrawals	Balance at end of year
1938.....	\$56,854,779.06		\$56,854,779.06
1939.....	20,355,455.65	\$32,000,000.00	45,210,234.71
1940.....	4,559,016.46	<sup>1</sup> 17,564,016.41	32,205,234.76
1941.....	72,850.96		32,278,085.72
1942.....		5,000,000.00	27,278,085.72
1943.....			27,278,085.72
1944.....		<sup>2</sup> 511,159.24	26,766,926.48
1945.....		20,000,000.00	6,766,926.48

<sup>1</sup> Includes \$7,564,016.41 transferred to account established under act of August 7, 1939.

<sup>2</sup> Transferred to account established under act of August 7, 1939.

Section 6 of the act of August 7, 1939 (53 Stat. 1232), provided that collections on or after January 1, 1939, on account of the excise taxes imposed by Section 2470 of the Internal Revenue Code, and the import taxes imposed by Sections 2490 and 2491 of the Internal Revenue Code, and any moneys hereafter appropriated in accordance with the authorization contained in Section 503 of the Sugar Act of 1937 (50 Stat. 915) shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures which will be necessary in adjusting Philippine economy to a position independent of trade preferences in the United States and in preparing the Philippines for the assumption of the responsibilities of an independent state.

An account was established in the fiscal year 1940 for the deposit of the funds referred to in section 6 of the act of August 7, 1939. Withdrawals by the Philippine Government from this account are subject to ninety days' notice in writing. Interest at the rate of 1 percent is paid on the daily balances in this account.

A summary of transactions in the account from the time of its establishment to date follows.

Fiscal year	Deposits	Withdrawals	Balance at end of year
1940.....	\$17,274,092.01		\$17,274,092.01
1941.....	15,258,938.13	\$20,000,000.00	12,533,030.14
1942.....	25,566,399.12	9,000,000.00	29,099,429.26
1943.....	3,517,267.87		32,616,697.13
1944.....	<sup>r</sup> 4,223,401.05	<sup>1</sup> 1,247,329.41	35,592,768.77
1945.....	177,857.23	<sup>1</sup> 206,676.90	35,563,949.10

<sup>r</sup> Revised.

<sup>1</sup> Represents excess deposits returned to the Bureau of Internal Revenue.

*Appropriation of funds to the Government of the Commonwealth of the Philippines for national defense.*—Public Law 371, approved December 23, 1941, appropriated, in accordance with the provisions of Section 503 of the Sugar Act of 1937 (50 Stat. 915) such moneys as had been collected prior to the passage of the act of December 23, 1941, for the purpose of enabling the Secretary of War to meet expenses for each and every purpose necessary to provide for public relief and civilian defense in the Philippine Islands.

To June 30, 1945, there had been established upon the books of the Treasury Department approximately \$39,000,000 which was available for appropriation to the Government of the Commonwealth of the Philippines.

In accordance with provisions of Public Law 371, \$35,000,000 was appropriated for this purpose.

*Supplementary sinking fund for the payment of bonds of the Philippines.*—Under Section 6 of the act of March 24, 1934, entitled "An Act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," as amended by the act of August 7, 1939, it was provided that on and after January 1, 1941, the Philippine Government shall impose and collect an export tax on every Philippine article shipped from the Philippines to the

United States, except as otherwise specifically provided. It was further provided that the Philippine Government shall pay to the Secretary of the Treasury of the United States, at the end of each calendar quarter, all of the moneys received during such quarter from export taxes (less refunds), imposed and collected in accordance with the provisions of this section, and said moneys shall be deposited in an account with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress.

Accordingly, there was established with the Treasurer of the United States a special deposit account in the name of the Secretary of the Treasury entitled "The Secretary of the Treasury for Account of the Philippine Government—Supplementary Sinking Fund for the Payment of Bonds of the Philippines, its Provinces, Cities, and Municipalities, Issued Prior to May 1, 1934, under Authority of Acts of Congress (Symbol 891-855)."

The following statement shows the cumulative transactions since the inception of the fund and its status as of June 30, 1945.

*Supplementary sinking fund for the payment of bonds, issued prior to May 1, 1934, of the Philippines, its provinces, cities, and municipalities, June 30, 1945*

I. RECEIPTS AND EXPENDITURES

Receipts:	
Taxes on exports.....	\$1, 586, 135. 92
Interest on investments.....	143, 919. 44
Total receipts.....	1, 730, 055. 36
Expenditures.....	
Balance in fund.....	1, 730, 055. 36

II. FUND ASSETS

Investments:		
Philippine Government bonds:	Face amount	Principal cost
4% due Dec. 1, 1946.....	\$207, 000	\$205, 242. 50
4½% due Dec. 1, 1950.....	33, 000	35, 505. 72
5% due Feb. 1, 1952.....	32, 000	35, 106. 01
4½% due July 1, 1952.....	258, 000	269, 470. 81
4½% due July 15, 1952.....	373, 000	396, 902. 18
5% due Apr. 1, 1955.....	21, 000	19, 877. 50
4½% due May 1, 1957.....	5, 000	5, 715. 76
4½% due July 1, 1957.....	64, 000	73, 006. 45
4½% due Mar. 1, 1958.....	43, 000	49, 592. 27
4½% due Apr. 1, 1958.....	36, 000	41, 512. 36
4½% due Apr. 1, 1959.....	70, 000	76, 186. 02
4½% due Sept. 15, 1959.....	41, 000	47, 865. 60
4½% due Oct. 1, 1959.....	19, 000	22, 167. 61
4½% due Oct. 15, 1959.....	6, 000	6, 801. 76
	1, 208, 000	1, 284, 952. 55
Cash balance with Treasurer of the United States.....		445, 102. 81
Total.....		1, 730, 055. 36

*Foreign check control.*—In accordance with the provisions of Executive Order 8389 of April 10, 1940, as amended, and Public No. 828, approved October 9, 1940 (see annual report for 1941, p. 106), disbursing officers had withheld as of June 30, 1945, from delivery to payees residing in occupied territories 663,936 checks aggregating \$31,572,956.93, of which the proceeds of 541,223 checks aggregating \$25,429,347.06 were deposited in the special deposit account entitled, "Secretary of the Treasury, Proceeds Withheld Foreign Checks"; 13,846 checks aggregating \$1,364,774.02 were released to payees; and

8,120 checks aggregating \$431,224.49 were canceled on advice of administrative agencies which authorized the issue of such checks to the payees. On June 30, 1945, a balance of 100,747 checks aggregating \$4,347,611.36, the proceeds of which were subject to deposit in the special deposit account, were held by disbursing officers pending disposition.

Of the \$25,429,347.06 deposited in the special deposit account, \$159,041.67 has been paid to individual claimants; \$13,781.03 has been returned to the appropriations from which payments were made; and \$9,597,355.41 has been covered into the Treasury as miscellaneous receipts on account of the \$1,000 limitation on veterans' payments. On June 30, 1945, the proceeds of 381,064 checks aggregating \$15,659,168.95 remained in the special deposit account to the credit of approximately 20,900 individuals.

### *Receipts from Germany*

The status of the indebtedness of Germany to the United States as of June 30, 1945, under the debt funding agreement of June 23, 1930, covering the costs of the American Army of Occupation and the awards of the Mixed Claims Commission, United States and Germany, is summarized in the following tables.

#### *Amount of indebtedness of Germany to the United States, June 30, 1945*

Class	Indebtedness as funded	Total indebtedness, June 30, 1945	Principal	Interest accrued and unpaid
Army costs (reichsmarks) .....	1,048,100,000	1,062,140,364.00	997,500,000	<sup>1</sup> 64,640,364.00
Mixed claims (reichsmarks) .....	2,121,600,000	2,227,170,000.00	2,040,000,000	187,170,000.00
Total (reichsmarks) .....	3,169,700,000	<sup>2</sup> 3,289,310,364.00	3,037,500,000	251,810,364.00
Total (in dollars, at 40.33 cents to the reichsmark) .....	\$1,278,340,010	\$1,326,578,869.80	\$1,225,023,750	\$101,555,119.80

<sup>1</sup> Includes interest accrued under unpaid moratorium agreement annuities.

<sup>2</sup> Includes 4,027,611.95 reichsmarks deposited by the German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

#### *Payments received from Germany through June 30, 1945*

Class	Total payments received through June 30, 1945	Payments of principal	Payments of interest
Army costs (reichsmarks) .....	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks) .....	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks) .....	138,666,406.25	132,200,000.00	6,466,406.25
Total (in dollars) .....	\$33,587,809.69	\$31,539,595.84	\$2,048,213.85



*Amounts not paid by Germany according to contract terms, June 30, 1945*

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Sept. 30, 1933..... reichsmarks		2, 498, 562. 50	1, 529, 049. 45	<sup>1</sup> 4, 027, 611. 95
Mar. 31, 1934..... do	122, 400, 000		1, 529, 049. 45	123, 929, 049. 45
Sept. 30, 1934..... do	20, 400, 000	3, 855, 687. 50	1, 529, 049. 45	25, 781, 737. 95
Mar. 31, 1935..... do	82, 900, 000	4, 534, 250. 00	1, 529, 049. 45	88, 963, 299. 45
Sept. 30, 1935..... do	29, 700, 000	5, 212, 812. 50	1, 529, 049. 45	36, 441, 861. 95
Mar. 31, 1936..... do	29, 700, 000	5, 891, 375. 00	1, 529, 049. 45	37, 120, 424. 45
Sept. 30, 1936..... do	29, 700, 000	6, 569, 937. 50	1, 529, 049. 45	37, 798, 986. 95
Mar. 31, 1937..... do	29, 700, 000	7, 248, 500. 00	1, 529, 049. 45	38, 477, 549. 45
Sept. 30, 1937..... do	28, 600, 000	7, 927, 062. 50	1, 529, 049. 45	38, 056, 111. 95
Mar. 31, 1938..... do	28, 600, 000	8, 585, 687. 50	1, 529, 049. 45	38, 714, 736. 95
Sept. 30, 1938..... do	28, 600, 000	9, 244, 312. 50	1, 529, 049. 45	39, 373, 361. 95
Mar. 31, 1939..... do	28, 600, 000	9, 902, 937. 50	1, 529, 049. 45	40, 031, 986. 95
Sept. 30, 1939..... do	29, 700, 000	10, 561, 562. 50	1, 529, 049. 45	41, 790, 611. 95
Mar. 31, 1940..... do	29, 700, 000	11, 240, 125. 00	1, 529, 049. 45	42, 469, 174. 45
Sept. 30, 1940..... do	29, 700, 000	11, 918, 687. 50	1, 529, 049. 45	43, 147, 736. 95
Mar. 31, 1941..... do	29, 700, 000	12, 597, 250. 00	1, 529, 049. 45	43, 826, 299. 45
Sept. 30, 1941..... do	33, 050, 000	13, 275, 812. 50	1, 529, 049. 45	47, 854, 861. 95
Mar. 31, 1942..... do	33, 050, 000	14, 015, 093. 75	1, 529, 049. 45	48, 594, 143. 20
Sept. 30, 1942..... do	33, 050, 000	14, 754, 375. 00	1, 529, 049. 45	49, 333, 424. 45
Mar. 31, 1943..... do	33, 050, 000	15, 493, 656. 25	1, 529, 049. 45	50, 072, 705. 70
Sept. 30, 1943..... do	33, 050, 000	16, 232, 937. 50		49, 282, 937. 50
Mar. 31, 1944..... do	33, 050, 000	16, 972, 218. 75		50, 022, 218. 75
Sept. 30, 1944..... do	33, 050, 000	19, 087, 187. 50		52, 137, 187. 50
Mar. 31, 1945..... do	33, 050, 000	18, 909, 343. 75		51, 959, 343. 75
Total.....	842, 100, 000	246, 529, 375. 00	30, 580, 989. 00	1, 119, 210, 364. 00
Total (in dollars, at 40.33 cents to the reichsmark).....	\$339, 618, 930	\$99, 425, 296. 94	\$12, 333, 312. 86	\$451, 377, 539. 80

<sup>1</sup> Represents 4,027,611.95 reichsmarks deposited by the German Government in the Konversionskasse für Deutsche Auslandsschulden and not paid to the United States in dollars as required by the debt and moratorium agreements.

*Treasury administration of alien and mixed claims*

The Settlement of War Claims Act of 1928 (45 Stat. 254) authorized the Secretary of the Treasury to make payments on account of (1) awards of the Mixed Claims Commission, United States and Germany, for claims of American nationals against the Government of Germany, (2) awards of the War Claims Arbitrator for claims of German, Austrian, and Hungarian nationals against the Government of the United States, and (3) awards of the Tripartite Claims Commission for claims of American nationals against the Governments of Austria and Hungary. For a more detailed discussion of these awards and payments see pages 123 to 128 of the annual report for 1941.

*Mixed Claims Commission and Private Law No. 509: Claims against Germany.*—During the fiscal year 1945 no payments were made on these claims. In the report for the fiscal year 1944 it was stated that the Class 3 claimants received payments aggregating \$21,763,576.77, placing them on the same basis as the Class 3 claimants who received awards prior to October 31, 1939:

Total payments made on the additional sabotage awards through September 30, 1945, are as follows:

Class	Awards (plus interest to Jan. 1, 1928)	Payments		
		Awards (plus interest to Jan. 1, 1928)	Interest from Jan. 1, 1928, to date of payment	Total
1-----	\$72,501.37	\$72,501.37	\$47,394.01	<sup>1</sup> \$119,895.38
2-----	1,058,005.23	<sup>2</sup> 1,058,005.23	691,293.74	1,749,298.97
3-----	30,598,657.59	21,763,576.77	-----	<sup>3</sup> 21,763,576.77
Total-----	31,729,164.19	22,894,083.37	738,687.75	23,632,771.12

<sup>1</sup> Payments completed prior to Sept. 30, 1941.

<sup>2</sup> One award (plus interest to Jan. 1, 1928), amounting to \$3,850.68, paid during the fiscal year.

<sup>3</sup> Payments completed during 1942.

After the Class 3 additional sabotage claims were satisfied by payment of the same percentage payments made on this class of awards certified for payment prior to October 31, 1939, they shared in the distributions of 5 percent and 4.4358855 percent authorized on March 19, 1941, and September 17, 1941, respectively, to be paid to all Class 3 claimants. No segregation of these payments has been made as the sabotage claimants and the claimants whose awards were certified prior to October 31, 1939, are receiving payments on an equal basis.

The payments to American and German nationals on account of the awards of the Mixed Claims Commission and the War Claims Arbitrator are made out of the German special deposit account established under the provisions of section 4 of the Settlement of War Claims Act of 1928. The priorities established in the act and the status as of September 30, 1945, of such priorities up to the seventh priority are as follows:

Priority No.	On account of—	Nationals	Amount due Sept. 30, 1945
1-----	Administrative expenses-----	-----	Held in reserve.
2-----	Class 1 awards-----	American-----	Completed.
3-----	Class 2 awards-----	do-----	\$42,830.84. <sup>1</sup>
4-----	Payment \$100,000 a/c Class 3 awards-----	do-----	Completed.
5-----	Payment of 80 percent of (2), (3), and (4), and interest to Jan. 1, 1928.	do-----	\$14,559.28. <sup>1</sup>
6-----	Tentative awards, War Claims Arbitrator-----	German-----	Completed.
7-----	50 percent of ship and patent claims-----	do-----	Do.

<sup>1</sup> Applications for payment of these amounts to claimants were not received or approved as of Mar. 11, 1940.

Up to September 30, 1945, the Treasury has made payments in the aggregate amount of \$163,625,984.72 on account of awards of the Mixed Claims Commission, from which there has been deducted \$818,130.40 representing one-half of 1 percent authorized by the Settlement of War Claims Act of 1928, making net payments to claimants of \$162,807,854.32. Of the deductions, \$779,505.05 has been covered into the Treasury as miscellaneous receipts in accordance with the provisions of the act as reimbursement to the United States for expenses incurred, and \$8.31 of the deductions has been withheld and not yet covered. The balance of \$38,617.04 is payable to the German Government for defraying such expenses as may be incurred by that government for the adjudication of claims. On

February 16, 1931, \$24,150.09 of this amount was paid to the German Government.

The following summary shows the number and amount of awards certified to the Treasury by the Secretary of State, the amount paid on account, and the balance due thereon as of September 30, 1945. Further details by classes of awards may be found in table 104, page 722.

*Mixed Claims Commission, United States and Germany—Number and amount of awards, amounts paid, and balance due, certified to the Secretary of the Treasury by the Secretary of State, as of September 30, 1945<sup>1</sup>*

Awards certified	Total number of awards	Total amount
1. Amount due on account: Principal of awards.....	7,026	\$181,698,235.30
Less amounts paid by Alien Property Custodian and others.....		187,226.85
Interest to Jan. 1, 1928, at rates specified in awards.....		181,511,008.45
Interest thereon to date of payment or, if unpaid Sept. 30, 1945, at 5 percent per annum as specified in the Settlement of War Claims Act of 1928.....		81,465,086.36
Total due claimants.....		117,823,556.07
		380,799,650.88
2. Payment made on account to Sept. 30, 1945:		
Principal of awards.....	6,671	<sup>2</sup> 152,405,583.91
Interest to Jan. 1, 1928, at rates specified in awards.....		8,938,824.97
Interest at 5 percent per annum from Jan. 1, 1928, to date of payment as directed by the Settlement of War Claims Act of 1928.....		2,231,575.84
Total payments to Sept. 30, 1945.....		163,625,984.72
Less one-half of 1 percent deduction from each payment.....		818,130.40
Net payments made to claimants to Sept. 30, 1945.....		162,807,854.32
3. Balance due on account:		
Principal of awards.....	355	101,624,141.79
Interest to Jan. 1, 1928, at rates specified in awards.....		7,544.14
Accrued interest at 5 percent per annum from Jan. 1, 1928, on total amount payable as of Jan. 1, 1928, to Sept. 30, 1945.....		115,541,980.23
Balance due claimants as of Sept. 30, 1945.....		217,173,666.16

<sup>1</sup> Includes payments on account of Private Law No. 509, approved July 19, 1940.

<sup>2</sup> Includes payments on account of interest to Jan. 1, 1928, on Class 3 awards and Private Law No. 509. Payments on this class of awards are first applied on account of the total amount payable as of Jan. 1, 1928 (which is treated as a principal payment for this purpose), as directed by the Settlement of War Claims Act of 1928 until total of all payments on the three classes equals 80 percent of the amount payable Jan. 1, 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims has been deferred in accordance with the act.

*War Claims Arbiter.*—Under the Settlement of War Claims Act of 1928, it was the duty of the War Claims Arbiter, within certain limitations, to hear the claims of German, Austrian, and Hungarian nationals and to determine the fair compensation to be paid by the United States for ships seized, patents sold or used by the United States, and a radio station sold to the United States.

*War Claims Arbiter: Claims of German nationals.*—The Treasury completed up to June 30, 1935, payment of 50 percent of the amount of all awards made by the War Claims Arbiter in favor of German nationals as required by paragraph 7 of section 4 (c) of the Settlement of War Claims Act of 1928. No payments were made on these awards subsequent to that date.

The following summary shows the number and amount of awards in favor of German nationals certified to the Treasury for payment, the payments made on account, and the balance due thereon as of September 30, 1945.

*War Claims Arbiter—Number of awards, amounts paid, and balance due on account of claims of German nationals for ships, patents, and a radio station as of September 30, 1945*

Awards certified	Total (315 awards)	Ships (27 awards)	Patents and radio station (288 awards)
1. Amount due on account: Principal of awards including interest to Jan. 1, 1929.....	\$86,738,320.83	\$74,252,933.00	\$12,485,387.83
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1945.....	41,005,551.90	34,953,275.06	6,052,276.84
Total due claimants.....	127,743,872.73	109,206,208.06	18,537,664.67
2. Payments made on account to Sept. 30, 1945: Principal of awards.....	43,368,899.24	37,126,205.21	6,242,694.03
Interest at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1945.....			
Total payments to Sept. 30, 1945.....	43,368,899.24	37,126,205.21	6,242,694.03
3. Balance due on account: Principal of awards.....	43,369,421.59	37,126,727.79	6,242,693.80
Interest accrued at 5 percent per annum from Jan. 1, 1929, on total amount payable as of Jan. 1, 1929, or on the principal amount remaining unpaid to Sept. 30, 1945.....	41,005,551.90	34,953,275.06	6,052,276.84
Balance due claimants.....	84,374,973.49	72,080,002.85	12,294,970.64

<sup>1</sup> Includes awards amounting to \$522.58 to members of the former ruling family of Germany (sec. 3 (j), Settlement of War Claims Act of 1928, as amended).

*War Claims Arbiter: Claims of Hungarian nationals.*—The awards made by the Arbiter to Hungarian nationals in the sum of \$39,125 with interest at the rate of 5 percent per annum from July 2, 1921, to December 31, 1928, amounting to \$14,675 have been paid with the exception of one award amounting to \$137.51, together with interest thereon at the rate of 5 percent per annum from December 31, 1928. No payments were made during the year on these awards.

*German special deposit account.*—The following statement shows the total amounts deposited in the German special deposit account, the amounts paid therefrom up to September 30, 1945, and the balance held in the account.

*Funds deposited in the German special deposit account and payments made therefrom through September 30, 1945*

#### RECEIPTS

From investments by Alien Property Custodian under Trading with the Enemy Act, as amended:		
Unallocated interest fund.....	\$25,000,000.00	
Less refunds.....	4,138,793.03	
	20,861,206.97	
20 percent German property retained.....	34,347,476.76	
Earnings on 20 percent German property retained.....	5,722,003.96	
		\$60,930,687.69
From Germany:		
2½ percent of Dawes' annuities available for reparations (Paris agreement of Jan. 14, 1925).....	32,183,060.87	
Under German-American debt agreement, June 23, 1930.....	19,469,964.00	
Interest on payments postponed under terms of debt agreement dated June 23, 1930.....	1,743,738.70	
		53,396,763.57
Appropriation for ships, patents, and radio station.....	86,738,320.83	
Expenses of administration, War Claims Arbiter, on account of German nationals.....	113,624.20	
		86,851,945.03



*Funds deposited in the German's special deposit account and payments made therefrom through September 30, 1945—Continued*

## RECEIPTS—Continued

Deposits by Attorney General of the United States (Alien Property Bureau) under section 25 (d) of Trading With the Enemy Act, as amended:		
German Government.....	\$137, 268. 13	
German nationals.....	440, 059. 92	
		\$577, 328. 05
Earnings and profits on investments by Secretary of the Treasury.....		5, 632, 094. 28
Total receipts.....		\$207, 388, 818. 62

## PAYMENTS ON ACCOUNT

Awards of the Mixed Claims Commission:		
Under agreement of Aug. 10, 1922.....	154, 958, 790. 58	
Under agreement of Dec. 31, 1928.....	7, 684, 835. 94	
Private Law No. 509.....	164, 227. 80	
		162, 807, 854. 32
Awards of War Claims Arbitrer:		
For ships.....	37, 126, 205. 21	
For patents and one radio station.....	6, 242, 694. 03	
		43, 368, 899. 24
One-half of 1 percent deducted from Mixed Claims payments covered into Treasury.....		778, 679. 79
One-half of 1 percent deducted from Mixed Claims payments on account of awards entered under agreement of Dec. 31, 1928 (act of June 21, 1930), and paid to Germany (\$14,466.95 withheld but not paid).....		24, 150. 09
One-half of 1 percent deducted on account of Private Law No. 509 withheld and covered into the Treasury.....		825. 26
Advances to special fund, expenses of administration of the Settlement of War Claims Act of 1928 (Office of the Secretary of the Treasury).....		67, 175. 00
Expenses of administration, War Claims Arbitrer account of German nationals.....		113, 624. 20
Total payments.....		207, 161, 207. 90
Cash balance in German special deposit account.....		227, 610. 72

*Tripartite Claims Commission: Claims against Hungary.*—The awards entered by the Tripartite Claims Commission against Hungary, in favor of American nationals, amounted to \$199,975.57. During the fiscal year 1945, no payments were made on account of such awards. As of June 30, 1945, awards aggregating \$7,257.35 had not been paid because claimants had not filed applications as required by law.

*Claims of American nationals against Turkey*

The Special Claims Commission, United States and Turkey, established under the agreement of December 24, 1923 (see page 196 of the annual report for 1940 for further details of this agreement), made awards in 33 cases aggregating \$899,338.09, which were reduced by \$70,891.06 on account of expenses incurred by the United States, leaving net awards amounting to \$828,447.03 payable from funds received from the Republic of Turkey. Under the provisions of the act of February 27, 1896 (29 Stat. 32), these awards were certified on August 19, 1937, by the Secretary of State to the Secretary of the Treasury for payment. During the fiscal year 1945 a pro rata payment was authorized to be made to the claimants by the Treasury from funds amounting to \$99,338.09 available for that purpose.

*Statement of awards made by Special Claims Commission, United States and Turkey, as of June 30, 1945*

Amount awarded to claimants:	
Amount of claims.....	\$539,844.13
Interest allowed.....	359,493.96
Total.....	899,338.09
Less deductions on account of expenses incurred by the United States.....	70,891.06
Amount of awards.....	\$828,447.03
Amount received from Republic of Turkey through June 30, 1944.....	800,000.00
Amount due from Republic of Turkey: Final installment due June 20, 1944, received by Treasury July 1, 1944.....	99,338.09
Total.....	899,338.09
Less reimbursement for expenses by the United States.....	70,891.06
Available for payment to claimants.....	828,447.03
Amount paid to claimants:	
Through June 30, 1944.....	705,183.27
During fiscal year 1945.....	116,432.23
Total.....	821,615.50
Balance due claimants for which vouchers have not been received.....	6,831.53

*Claims of American nationals against Mexico*

Under the convention between the United States and Mexico dated April 24, 1934, covering the settlement of the claims presented by the Government of the United States to the Commission established by the Special Claims Convention concluded September 10, 1923, the amount to be paid by the Government of Mexico to the Government of the United States was fixed at \$5,448,020.14. (See page 129 of the annual report for 1941 for further details.)

On June 20, 1938, the Secretary of State certified to the Secretary of the Treasury for payment a list of awards entered by the Special Mexican Claims Commission aggregating \$9,137,341.79, subsequently adjusted to \$9,140,541.89, which were subject to reduction on a percentage basis as provided in Section 4 of the act approved April 10, 1935. The final awards as adjusted aggregated \$5,210,108.92. The expenses of the Commission were determined to be \$241,549.31, and this amount was transferred to miscellaneous receipts on December 4, 1940.

As of June 30, 1945, there had been received and made available for distribution to claimants the sum of \$5,407,052.53. Amounts aggregating 103.7800286 percent of the final awards of \$5,210,108.92 have been authorized to be distributed to the claimants. The distribution of more than 100 percent on the final awards was due to the fact that \$196,943.61 was available for distribution out of the amount of \$200,581.70 in interest collected from Mexico account of interest on deferred payments. Section 11 (a) of the Settlement of Mexican Claims Act of 1942 authorized the distribution of this amount to the claimants.

*Statement of awards made by Special Mexican Claims Commission, United States and Mexico, as of June 30, 1945*

Amount of final awards to claimants after application of Sec. 4 of the act approved Apr. 10, 1935.....	\$5,210,108.92
Amount available for distribution to claimants out of \$200,581.70 interest collected from Mexico account of interest on deferred payments.....	196,943.61
	<u>5,407,052.53</u>
Amount received from Government of Mexico:	
Through June 30, 1944, \$5,000,000 principal and \$196,101.50 interest.....	\$5,196,101.50
Jan. 5, 1945, \$448,020.14 principal and \$4,480.20 interest.....	452,500.34
Total through June 30, 1945.....	5,648,601.84
Less amount transferred to miscellaneous receipts to cover the expenses of the Commission.....	241,549.31
	<u>5,407,052.53</u>
Amount available for payment to claimants.....	5,407,052.53
Amount paid to claimants:	
Fiscal year 1939.....	\$2,087,193.47
Fiscal year 1940.....	678,717.90
Fiscal year 1941.....	537,124.56
Fiscal year 1942.....	516,380.29
Fiscal year 1943.....	505,672.15
Fiscal year 1944.....	484,399.06
Fiscal year 1945.....	358,567.76
Total through June 30, 1945.....	<u>5,168,055.19</u>
Balance due claimants:	
For which vouchers have not been received.....	238,997.34

*Settlement of Mexican Claims Act of 1942*

Under the convention between the United States and Mexico dated November 19, 1941, the Government of the United Mexican States agreed to pay, and the Government of the United States agreed to accept, the sum of \$40,000,000 in United States currency as the balance due from the Government of the United Mexican States in full settlement, liquidation, and satisfaction of the following claims:

(a) All claims filed by the Governments of the United States and the United Mexican States with the General Claims Commission, established by the two countries pursuant to the convention signed September 8, 1923;

(b) All agrarian claims of nationals of the United States of America against the Government of the United Mexican States, which arose subsequent to August 30, 1927, and prior to October 7, 1940, including those referred to in the agreement effected by the exchange of notes signed by the Government of the United States and the Government of the United Mexican States on November 9 and 12, 1938, respectively; and

(c) All other claims of nationals of either country, which arose subsequent to January 1, 1927, and prior to October 7, 1940, and involving international responsibility of either Government toward the other Government as a consequence of damage to or loss or destruction of or wrongful interference with the property of the nationals of either country.

Under Article IV of the agreement it is provided that there is credited against the sum of \$40,000,000 the sum of \$3,000,000 representing the aggregate payments made, prior to the signing of the agreement, pursuant to the agreement in relation to agrarian claims, effected by the exchange of notes signed November 9 and 12, 1938. There shall also be credited the additional sum of \$3,000,000 which will be paid on the date of the exchange of ratification of the agreement signed November 19, 1941.

The balance of \$34,000,000 is to be paid in annual installments of \$2,500,000 beginning one year after the date of the signing of the agreement, until the complete liquidation of the debt. The Government of the United Mexican States may, in its discretion, for the purpose of reducing the period for complete liquidation of the balance due, increase the amount of any of the annual installments, or pay any such installment or installments in advance.

The agreement was ratified by the Senate of the United States on January 29, 1942, signed by the President of the United States on February 10, 1942, and ratified by the Mexican Government on February 12, 1942; ratifications were exchanged at Washington on April 2, 1942, and the agreement was proclaimed by the President of the United States on April 9, 1942.

To provide for the settlement of the claims covered by the agreement of November 19, 1941, Congress passed the "Settlement of Mexican Claims Act of 1942," approved December 18, 1942. Under Section 8 of this act there was created in the Treasury a special fund known as the Mexican claims fund. The Secretary of the Treasury is authorized and directed to cover into the fund (1) the sum of \$3,000,000 representing the total amount of payments heretofore made by the Government of Mexico under the agrarian claims agreement of 1938, (2) the sum of \$3,000,000 which was paid by the Government of Mexico upon exchange of ratifications of the agreement of November 19, 1941, (3) such other sums as are paid by the Government of Mexico pursuant to the agreement of November 19, 1941, and (4) the sum of \$533,658.95 representing the total amount of awards and appraisals, plus interest, made with respect to the claims on behalf of Mexican nationals against the Government of the United States which were filed with the General Claims Commission.

The amounts covered into the Mexican claims fund as of June 30, 1945, are as follows:

	<i>Amount</i>
Under the agrarian claims agreement of 1938.....	\$3,000,000.00
Paid on exchange of ratifications of the agreement.....	3,000,000.00
Annual installments due from Government of Mexico through November 1944.....	7,500,000.00
Appropriated by the Government of the United States covering amount of awards and appraisals made on behalf of Mexican nationals.....	533,658.95
<b>Total.....</b>	<b>14,033,658.95</b>

The Settlement of Mexican Claims Act of 1942 makes no provisions for payment to Mexican nationals out of the Mexican claims fund as the Government of Mexico agreed to pay its own nationals the amount of \$533,658.95 on account of awards or appraisals made on their behalf.

The Secretary of State has certified to the Secretary of the Treasury for payment under Section 6 (b) the awards and appraisals made in favor of American nationals and the American Mexican Claims Commission has certified for payment decisions made under the provisions of Sections 4 (b), 4 (c), and 5 (d) of the act, as follows:

	<i>Amount</i>
Secretary of State:	
Decisions rendered by the General Claims Commission.....	\$201,461.08
Appraisals agreed upon by the Commissioners designated by Governments of the United States and Mexico, respectively, pursuant to the general claims protocol between the United States and Mexico signed April 24, 1934.....	2,599,166.10
<b>Total.....</b>	<b>2,800,627.18</b>
American Mexican Claims Commission:	
Decisions under the provisions of Sections 4 (b), 4 (c), and 5 (d) of the act.....	28,744,017.54
<b>Grand total.....</b>	<b>31,544,644.72</b>



In accordance with the provisions of the Settlement of Mexican Claims Act of 1942, as amended, the Secretary of the Treasury authorized a distribution of 40 percent of the above awards and appraisals certified for payment.

The following statement shows the status of the Mexican claims fund as of June 30, 1945:

Credits:	<i>Amount</i>
Payments received from Government of Mexico under agreement of Nov. 19, 1941.....	\$13,500,000.00
Appropriation made by Government of the United States on account of awards and appraisals made on behalf of Mexican nationals.....	583,658.95
Total.....	14,033,658.95
Amount paid to American claimants during the fiscal year 1943.....	\$637,036.24
Amount paid to American claimants during the fiscal year 1944.....	6,333,636.13
Amount paid to American claimants during the fiscal year 1945.....	1,443,226.94
	8,413,899.31
Balance in fund June 30, 1945.....	5,619,759.64
Assets—unexpended balances June 30, 1945:	
To credit of disbursing officer.....	5,619,759.94
Total fund assets June 30, 1945.....	5,619,759.64

The priorities established in the act and the status as of June 30, 1945, are as follows:

Priority No. 1—Section 8 (c) and (d) of act:	
40 percent of awards and appraisals certified pursuant to Sections 4 (b), 4 (c), 5 (d), and 6 (b) of act:	<i>Amount</i>
Certified as of June 30, 1945, \$31,544,644.72.....	\$12,617,857.89
Certified subsequent to June 30, 1945, \$746,536.68.....	298,614.67
Total required to pay Priority No. 1.....	12,916,472.56
Less payments through June 30, 1945.....	8,413,899.31
Balance payable on Priority No. 1.....	4,502,573.25
Priority No. 2—Section 8 (d) of act:	
Amount available as of June 30, 1945, for payment on awards which American Mexican Claims Commission may certify pursuant to Section 5 (d) of act.....	1,117,186.39
Unexpended balance June 30, 1945.....	5,619,759.64

*Claims of American nationals against Mexico—Expropriation of petroleum properties*

Under date of November 19, 1941, the Governments of the United States and Mexico entered into an agreement making provision for determining the amount due to the American companies and interests whose properties and rights had been affected to their detriment by acts of the Mexican Government through acts of expropriation or otherwise on March 18, 1938, and subsequent thereto excepting those which had already made separate arrangements with the Mexican Government. Under this agreement the two Governments each appointed an expert whose duty it was to determine the just compensation to be paid the American owners for their properties and rights and interests. The compensation found to be due to the affected United States nationals was to be completed within a period of not more than 7 years. A deposit of \$9,000,000 was made and held in a suspense account to be applied on account of the compensation determined to be due.

In accordance with the joint report submitted by the experts designated by the respective Governments, the Government of Mexico entered into a further agreement under which it agreed to pay to the Government of the United States the sum of \$23,995,991, United States currency, plus interest at 3 percent from March 18, 1938.

The application to principal and interest of the payments made through September 30, 1944, and of the payments to be made thereafter is shown in the following table.

Date	Amount paid	Applied on		Balance of principal
		Interest	Principal	
Feb. 10, 1942.....	\$9,000,000.00			\$23,995,991.00
Sept. 30, 1943.....	3,796,391.04			
	12,796,391.04	\$3,985,964.20	\$8,810,426.84	15,185,564.16
Sept. 30, 1944.....	4,085,327.45	455,566.92	3,629,760.53	11,555,803.63
	16,881,718.49	4,441,531.12	12,440,187.37	
Sept. 30, 1945.....	4,085,327.45	346,674.10	3,738,653.35	7,817,150.28
Sept. 30, 1946.....	4,085,327.45	234,514.50	3,850,812.95	3,966,337.33
Sept. 30, 1947.....	4,085,327.45	118,990.12	3,966,337.33	
Total.....	29,137,700.84	5,141,709.84	23,995,991.00	

Under the provisions of the act of February 27, 1896 (29 Stat. 32), the Secretary of State has certified to the Secretary of the Treasury for payment the claims of eleven companies aggregating \$23,104,731. The claims of two companies aggregating \$891,260 have not yet been certified for payment.

The status of the account of the Mexican Government as of June 30, 1945, was as follows:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
Amount payable.....	\$23,995,991.00	\$5,141,709.84	\$29,137,700.84
Less amount paid to June 30, 1945.....	12,440,187.37	4,441,531.12	16,881,718.49
Balance due.....	11,555,803.63	700,178.72	12,255,982.35

The following statement shows the amounts paid to the claimants as of June 30, 1945:

	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
Amount received from Government of Mexico.....	\$12,440,187.37	\$4,441,531.12	\$16,881,718.49
Amount paid claimants.....	11,978,133.47	4,276,563.61	16,254,697.08
Balance due claimants.....	462,053.90	164,967.51	627,021.41

#### *Railroad obligations*

Total receipts during the fiscal year on account of realization on railroad securities acquired under Section 210 of the Transportation Act, 1920, as amended, were \$125,246.30.

The following statement shows the total amount of railroad obligations, by classes, originally held by the United States Government (exclusive of certain miscellaneous obligations acquired by the Director General of Railroads), the amount held on June 30, 1945, and payments received on account.

*Securities received in reorganization of railroads and held by the Treasury Department  
as of June 30, 1945*

Carrier (old companies)	Amount of loan held June 30, 1944	Amount of securities received in reorganization	Interest and dividend payments received (no payment of principal)	Balance held June 30, 1945	Class of securities received in reorganization from new companies
Under Section 210					
Alabama, Tennessee & Northern Railroad Corp. Less payment.....	\$151,500 26,535				Alabama, Tennessee & Northern Railroad Co. (new company):  Gold mortgage Series A 4½% income bonds..... \$124,900 Script..... 65 <u>124,965</u>
	124,965	\$124,965	\$16,861.50	\$124,965	
Fort Dodge, Des Moines & Southern R. R. Co.	200,000	260,000	4,800.00	260,000	Fort Dodge, Des Moines & Southern Railway Co.: Series B 4% income mortgage bonds..... 160,000 Voting trust certificate representing 10,000 shares common stock @ \$10..... 100,000 <u>260,000</u>
Minneapolis & St. Louis R. R. Co.	1,382,000	20,962	8,384.80	20,962	Minneapolis & St. Louis Railway Co. common stock, 2,096.20 shares of 3,419 shares allocated under Section 210 @ \$10..... 20,962
Total.....	1,706,965	405,927	30,046.30	405,927	
Under Section 207					
Minneapolis & St. Louis R. R. Co.	\$1,250,000	\$13,228	\$5,291.20	\$13,228	Minneapolis & St. Louis Railway Co. common stock, 1,322.80 shares of 3,419 shares allocated under Section 207 @ \$10..... 13,228

*Summary of railroad obligations held by the Government as of June 30, 1945, by classes*

Class	Principal amount originally held	Principal amount held June 30, 1945	Losses and principal written off on account of reorganizations	Total cash payments	
				Principal	Interest
Transportation Act:					
Sec. 207 .....	\$282,712,837.36	\$3,707,000.00	\$1,260,669.46	\$277,745,167.90	\$54,373,134.70
Sec. 210 .....	290,800,667.00	17,471,877.23	<sup>2</sup> 6,703,068.09	266,625,721.68	93,895,604.96
Federal Control Act:					
Equipment trust notes.....	346,556,750.00			346,556,750.00	45,338,918.25
Sec. 7 .....	98,401,755.00			98,401,755.00	23,100,562.27
Sec. 12 .....	62,103,453.28			62,103,453.28	4,248,171.96
Total.....	1,080,575,462.64	21,178,877.23	7,963,737.55	1,051,432,847.86	220,959,392.14

<sup>1</sup> Includes (a) loss on account of sale on the market of Kansas, Oklahoma & Gulf Ry. Co. stock, \$10,669.46, and (b) principal of Minneapolis & St. Louis R. R. Co. written off on account of reorganization, \$1,250,000.

<sup>2</sup> Includes (a) losses on account of sales pursuant to the provisions of act of August 13, 1940: notes of the Wichita Northwestern Ry. Co., Virginia Blue Ridge Ry. and the Wilmington, Brunswick & Southern R. R. Co., \$510,503.09, (b) principal written off on account of reorganizations: Fort Dodge, Des Moines & Southern Railroad Co., \$200,000; Minneapolis & St. Louis R. R. Co., \$1,382,000; Alabama, Tennessee & Northern R. R. Corp., \$124,965; total \$1,706,965; and (c) principal written off of carriers whose assets when completely liquidated were not sufficient to meet these claims: Gainesville Northwestern R. R. Co., \$75,000; Missouri & North Arkansas Ry. Co., \$3,500,000; Salt Lake & Utah R. R. Co., \$872,600; and Virginia Southern R. R. Co., \$38,000; total \$4,485,600.

*Section 204, Transportation Act, 1920, as amended.*—On January 7, 1941, Section 204 was amended by Public No. 893, to permit the re-opening by certain short-line rail carriers of claims against the United States before the Interstate Commerce Commission. Under the act the Commission is authorized to ascertain and certify to the Secretary of the Treasury the amounts payable to carriers under this section as amended. The act provides that no claim certified shall be for an amount in excess of \$150,000.

Under Section 204 (g) of the Transportation Act, 1920 (approved February 28, 1920), an indefinite appropriation was made to pay claims of this character. The amount previously paid under Section 204 was \$10,967,801.80, as reported in the Secretary's annual report for the fiscal year 1937, page 83. The Permanent Appropriation Repeal Act of 1934 repealed the indefinite appropriation made for the payment of this class of claims. However, a specific appropriation of \$800,000, available for the fiscal year 1942, was made in the Second Deficiency Appropriation Act, 1941, approved July 3, 1941 (Public Law 150). The Interstate Commerce Commission certified to the Secretary of the Treasury for payment claims aggregating \$184,602.58, of which claims aggregating \$167,529.85 were paid during the fiscal year 1942. Claims certified to the Secretary of the Treasury during the fiscal year 1943 aggregating \$22,139.11 and one claim amounting to \$17,072.73 which was outstanding in the fiscal year 1942 were paid during the fiscal year 1943. In the Treasury and Post Office Departments Appropriation Act, 1943, approved March 10, 1942 (Public Law 495), \$600,000 of the unexpended balance was made available until June 30, 1943. One claim was certified to the Secretary of the Treasury for payment during the fiscal year 1945, in the amount of \$21,296.92, which has been paid. In the First Supplemental Appropriation Act of 1945, approved December 22, 1944 (Public Law 529), \$21,296.92 of the unexpended balance was made available for the payment of this claim. The total payments under this section aggregated \$11,195,840.41, as of the end of the fiscal year.

*Section 207, Transportation Act, 1920, as amended.*—Loan of the Minneapolis & St. Louis Railroad Company in the amount of \$1,250,000 consisting of two promissory notes for \$625,000 each, one dated March 27, 1922, due March 1, 1930, and one dated April 2, 1923, due on demand, was written off in accordance with letter dated December 22, 1944, from the Under Secretary of the Treasury to the Commissioner of Accounts. This carrier was reorganized in equity court for the District of Minnesota. A statement of securities received in reorganization of railroads will be found on page 157.

Pursuant to the act of December 17, 1943, Private Law 162, the Secretary of the Treasury was authorized and directed to accept the sum of \$50,000 in full settlement and discharge of the indebtedness of the Washington, Brandywine & Point Lookout Railroad Company to the United States, including unpaid interest, evidenced by a note dated July 6, 1918, in the principal amount of \$50,000 executed by the company pursuant to the provisions of the Federal Control Act, approved March 3, 1918, and to release all evidence of indebtedness and collateral held as security therefor. The following statement shows the amount of obligations of carriers acquired under Section 207 and held June 30, 1945.



*Obligations acquired under the provisions of Section 207 of the Transportation Act, 1920, and held as of June 30, 1945*

Carrier	Principal amount of promissory note or of directly held security	Collateral face amount	Class of collateral or of directly held security	Principal in default	Interest in default
Chicago, Milwaukee, St. Paul & Pacific R. R. Co.	\$3,207,000	(1)	5% noncumulative preferred stock of carrier.		
Waterloo, Cedar Falls & Northern Ry. Co.	500,000	\$625,000	Temporary general mortgage, 7% bonds of carrier.	\$500,000	\$604,931.50
Total.....	3,707,000			500,000	604,931.50

<sup>1</sup> Securities directly held.

*Section 210, Transportation Act, 1920, as amended.*—This section established a revolving fund of \$300,000,000 to be used for loans to railroads under the conditions set forth in a certificate of the Interstate Commerce Commission authorizing each loan, and also for paying judgments, decrees, and awards rendered against the Director General of Railroads. No new loans are being made as the time for making application has expired. No expenditures under this section were made during the fiscal year. The net expenditures on this account amounted to \$33,640,740.24 through June 30, 1945.

*Obligations held June 30, 1945, on account of loans to carriers under Section 210 of the Transportation Act, 1920, as amended, and the amount of principal and interest in default.*

Carrier	Loans outstanding <sup>1</sup>	Principal in default	Interest in default
Des Moines & Central Iowa R. R. Co. (formerly the Inter-Urban Ry. Co.).....	\$633,500.00	\$633,500.00	\$634,671.34
Georgia & Florida Ry. (receiver).....	792,000.00	792,000.00	736,560.00
Seaboard Air Line Ry. Co.....	14,438,827.01	14,438,827.01	10,293,438.13
Seaboard-Bay Line Co.....	347,550.22	347,550.22	
Waterloo, Cedar Falls & Northern Ry. Co.....	1,260,000.00	1,260,000.00	1,724,055.71
Total.....	17,471,877.23	17,471,877.23	13,388,725.18

<sup>1</sup> Does not include loans amounting to \$4,485,600, for which the assets of the carriers have been completely liquidated, and which were insufficient to meet the claims, or loans amounting to \$1,733,500 adjusted on account of reorganizations. See statement of securities received in reorganizations page 157.

*Federal control of railroads*

*Administration.*—The Treasury continued during the fiscal year 1945 the liquidation of matters growing out of the control of the American transportation system, which was exercised through the United States Railroad Administration during the period from December 28, 1917, to February 29, 1920.

*Finances.*—Total receipts on account of the Federal control of railroads for the fiscal year 1945 were \$64,029.33, and expenditures were \$2,715.44 resulting in net receipts of \$61,313.89, as compared with net receipts of \$5,217.90 for 1944.

At the close of business on June 30, 1945, the cash and appropriation balance aggregated \$102,663.59 as compared with \$41,349.70 at the close of 1944.

## A statement of receipts and expenditures follows.

*Receipts and expenditures in connection with Federal control of railroads, fiscal years 1944 and 1945*

	1944	1945
Balances at beginning of year:		
Secretary of the Treasury, special deposit account	\$30,986.10	\$23,409.00
Unrequitioned appropriation balances:		
Federal control of transportation systems	5,145.70	17,940.70
Total balances	\$36,131.80	\$41,349.70
Receipts:		
Collection of principal on obligations of carriers		50,000.00
Collection of interest on obligations of carriers	12,795.00	5,291.20
Employee's bond purchase deductions		52.50
Victory tax withheld from Federal employees, Treasury Department	3.20	
Federal tax withheld from salaries of Federal employees, Treasury Department	38.00	143.20
Collection of miscellaneous claims referred to Washington from field, including transportation charges, undercharges, etc.	352.10	8,542.43
Total receipts	13,188.30	64,029.33
Total balances and receipts	49,320.10	105,379.03
Expenditures:		
Employees' compensation liability awards	784.27	760.70
Deposit with the Workmen's Compensation Board of Ontario, account of compensation liability	5,117.84	
Claims for unpaid wages, back-pay awards, and Liberty bond subscription refunds	33.50	25.00
Payments to collector of internal revenue of Victory tax withheld from Federal employees, Treasury Department	22.40	
Payments for employee's bond purchases		37.50
Payments to collector of internal revenue of Federal tax withheld from salaries of Federal employees, Treasury Department	32.30	148.90
Administrative expenses (pay rolls)	1,980.09	1,743.34
Total expenditures	7,970.40	2,715.44
Transfers from appropriation account to surplus fund		
Balances at end of year:		
Secretary of the Treasury, special deposit account	23,409.00	29,431.69
Federal control of transportation systems	17,940.70	73,231.90
Total balances	41,349.70	102,663.59
Total expenditures and balances	49,320.10	105,379.03

*Securities, etc.*—Collections made during the fiscal year and notes written off of obligations of carriers under Section 207 of the Transportation Act, 1920, as amended, are listed on page 158.

*Claims.*—The principal claims presented during the period were on account of refunds of installments paid on subscriptions for Liberty Loan bonds by employees of carriers during Federal control. Total payments on account of allowed claims of this character amounted to \$25.00 during the year.

*Compensation payments—United States railroad employees.*—Expenditures on account of the compensation award of a railroad employee residing in the United States amounted to \$760.70 during the year.

*Canadian Workmen's Compensation Board.*—The Canadian Workmen's Compensation Board, located at Toronto, Canada, has jurisdiction over certain cases of disability resulting from accidents during the period of Federal control on those railroads having lines extending into Canada. Payments under Canadian compensation awards, made from funds so deposited with the Board, amounted to \$2,586.00 during the calendar year 1944. Interest amounting to \$1,445.18 was added

to the fund, leaving a balance of \$27,788.05 to cover awards as of December 31, 1944. The figures showing the balance as of June 30, 1945, are not available inasmuch as the Board's reports are on a calendar year basis. However, the status of the fund (in Canadian dollars) as of December 31, 1944, was as follows:

Balance Dec. 31, 1943.....	\$28,928.87
Payments from Treasury.....	
Interest Jan. 1, 1944, through Dec. 31, 1944.....	1,445.18
Total.....	30,374.05
Payments of awards by Board during 1944.....	2,586.00
Balance Dec. 31, 1944.....	27,788.05

*Tax refunds and other collections.*—Under the terms of the Federal Control Act and the standard contract with the carriers, the Director General paid 2 percent of all Federal income taxes assessed against carriers formerly under Federal control. Subsequently, the United States Board of Tax Appeals held that such taxes should not have been assessed against either the carriers or the Director General. No adjustments of these claims were made during the fiscal year. Further claims for such paid taxes amounting to \$438,770.84 are still pending before The Tax Court of the United States.

All unpaid judgments which have not expired by reason of the statute of limitations, and other claims are being reviewed from time to time to determine whether any amounts can be collected thereon. Collections from this source amounted to \$7,106.34 during the year.

#### *Federal Farm Mortgage Corporation*

Under Section 32 of the Emergency Farm Mortgage Act of 1933, approved May 12, 1933 (49 Stat. 43), as amended, the Secretary of the Treasury is authorized to pay to the Federal Farm Mortgage Corporation such amount as the Governor of the Farm Credit Administration certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such Corporation have been reduced. Public Law 629, approved June 27, 1942 (56 Stat. 391), extended to June 30, 1944, the period for which payments are to be made to the Federal Farm Mortgage Corporation on account of reductions in interest, and made this provision applicable to interest on purchase-money mortgages and on real estate sales contracts taken by the Federal Farm Mortgage Corporation which is payable on installment dates on or after July 1, 1942, and prior to July 1, 1944.

A statement of the amounts appropriated and payments to the Federal Farm Mortgage Corporation follows.

*Appropriations on account of reductions in interest rate on mortgages, and payments to the Federal Farm Mortgage Corporation for this purpose, fiscal years 1938 through 1945*

Amounts appropriated:	
Through June 30, 1945.....	\$59,125,000.00
Payments to Federal Farm Mortgage Corporation: <sup>1</sup>	
Through June 30, 1944.....	\$55,648,912.80
Fiscal year 1945.....	1,372,001.09
Total through June 30, 1945.....	57,020,913.89
Transfers from appropriation account to surplus fund.....	1,598,032.56
	58,618,946.45
Unexpended appropriations, June 30, 1945.....	506,053.55

<sup>1</sup> On basis of daily Treasury statements.

*Federal land banks*

*Capital stock.*—Under the act of January 23, 1932 (12 U. S. C. 698), amending the Federal Farm Loan Act, it is the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Farm Credit Administration, to subscribe from time to time for capital stock of such bank. The act further provides that such stock may at any time, in the discretion of the directors and with the approval of the Farm Credit Administration, be paid off at par and retired in whole or in part and that the Farm Credit Administration may at any time require such stock to be paid off at par and retired in whole or in part if, in its opinion, the bank has resources available for such purpose. The proceeds of all repayments on account of stock subscribed for by the Secretary of the Treasury are held in the Treasury and are available for the purpose of paying for other stock thereafter issued pursuant to said act.

To enable the Secretary of the Treasury to pay for said stock, \$125,000,000 was appropriated under the act approved February 2, 1932. During the year no stock was subscribed for by the Secretary. The following statement shows the shares that were repaid during the year and the amount held by the Secretary on June 30, 1945.

*Subscriptions to stock of Federal land banks held by the Secretary of the Treasury and repayments thereon during the fiscal year 1945*

[Par value of shares]

Federal land bank	Shares held June 30, 1944	Shares repaid fiscal year 1945 <sup>1</sup>	Shares held June 30, 1945 <sup>2</sup>
Baltimore .....	\$1,613,480.00	\$24,740.00	\$1,588,740.00
Columbia .....	1,453,220.00	248,650.00	1,204,570.00
St. Paul .....	115,133,500.00	60,350.00	115,073,150.00
Wichita .....	1,031,985.00	1,031,985.00	-----
Omaha .....	898,865.00	898,865.00	-----
Total .....	120,131,050.00	2,264,590.00	117,866,460.00

<sup>1</sup> On basis of daily Treasury statements.

<sup>2</sup> The Federal land banks of Springfield, Louisville, New Orleans, Omaha, St. Louis, Houston, Spokane, Wichita, and Berkeley had no outstanding capital stock held by the Secretary of the Treasury as of June 30, 1945.

*Payments on account of reductions in interest rates on mortgages and subscriptions to paid-in surplus.*—The Secretary of the Treasury is directed, under certain conditions, to make payments to Federal land banks equal to the amount by which interest payments on mortgages held by such banks have been reduced pursuant to the Federal Farm Loan Act, as amended, and he also subscribes, under specified conditions and in the manner prescribed by the Federal Farm Loan Act, as amended, to the paid-in surplus of each Federal land bank an amount equal to the amount of all extensions and deferments of any obligation that may be or may become unpaid under the terms of any mortgage.

Amendments to the law under which subscriptions are made to the paid-in surplus of the Federal land banks are contained in the Farm Credit Act of 1937, approved August 19, 1937. The period for which payments to Federal land banks on account of reductions in interest rates may be made was extended to June 30, 1944, pursuant to Public Law 629, approved June 27, 1942 (56 Stat. 391). This law also made



the provisions relating to the reduction of interest applicable to interest on real estate sales contracts taken by Federal land banks which is payable on installment dates after June 30, 1942.

A statement as of June 30, 1945, of the amounts appropriated on account of reductions in interest rates on mortgages and of payments to Federal land banks for this purpose is here set forth.

*Appropriations on account of reductions in interest rates on mortgages and payments to Federal land banks for this purpose through June 30, 1945*

1. Amounts appropriated:  
Through June 30, 1945..... \$282,667,000.00  
2. Payments to Federal land banks:

Federal land bank	Amount paid through June 30, 1944	Amount paid fiscal year 1945 <sup>1</sup>	Amount paid through June 30, 1945
Springfield.....	\$10,141,763.03	\$226,440.64	\$10,368,203.67
Baltimore.....	11,847,590.60	191,933.90	12,039,524.50
Columbia.....	11,119,296.06	82,706.30	11,202,002.36
Louisville.....	27,055,499.59	305,668.23	27,361,167.82
New Orleans.....	14,159,861.63	16,001.35	14,175,862.98
St. Louis.....	24,094,165.93	358,506.58	24,452,672.51
St. Paul.....	39,947,315.70	817,411.65	40,764,727.35
Wichita.....	22,019,963.79	311,370.63	22,331,334.42
Houston.....	30,939,051.77	565,329.41	31,504,381.18
Berkeley.....	16,233,165.91	243,515.96	16,476,681.87
Omaha.....	48,566,628.69	855,973.77	49,422,602.46
Spokane.....	16,755,030.61	265,818.11	17,020,848.72
Total.....	272,879,333.31	4,240,676.53	277,120,009.84

3. Transfers from appropriation account to surplus fund..... \$3,943,692.50  
4. Unexpended appropriations, June 30, 1945..... 1,603,297.66

<sup>1</sup> On basis of daily Treasury statements.

Appropriations for subscriptions to paid-in surplus to June 30, 1937, amounted to \$189,000,000. No appropriation for this purpose has been made since that date. A statement as of June 30, 1945, of the amounts appropriated for subscriptions to the paid-in surplus of Federal land banks on account of extensions and deferments, and net repayments by the Federal land banks follows.

*Appropriations for subscriptions to the paid-in surplus of Federal land banks on account of extensions and deferments, and payments for this purpose to June 30, 1945*

1. Amounts appropriated through June 30, 1945..... \$189,000,000.00  
2. Payments to Federal land banks:

Federal land bank	Amount paid through June 30, 1944	Net amount repaid fiscal year 1945 <sup>1</sup>	Amount paid through June 30, 1945
Springfield.....	\$7,317,138.66	\$7,317,138.66	-----
Baltimore.....	4,190,251.29	-----	\$4,190,251.29
Columbia.....	9,136,953.42	-----	9,136,953.42
New Orleans.....	5,951,000.00	3,000,000.00	2,951,000.00
St. Louis.....	10,813,256.57	8,013,256.57	2,800,000.00
St. Paul.....	36,924,408.39	-----	36,924,408.39
Wichita.....	16,850,213.90	12,250,000.00	4,600,213.90
Berkeley.....	3,950,945.55	2,000,000.00	1,950,945.55
Omaha.....	30,740,238.50	19,320,238.50	11,420,000.00
Spokane.....	9,222,384.78	9,222,384.78	-----
Total.....	135,096,791.06	<sup>2</sup> 61,123,018.51	73,973,772.55

3. Unexpended appropriations, June 30, 1945..... <sup>2</sup> \$115,026,227.45

<sup>1</sup> On basis of daily Treasury statements.

<sup>2</sup> Excess of repayments (deduct). Includes the amount of \$32,673.72, adjustment to be made in the daily Treasury statement in the fiscal year 1946.

<sup>3</sup> Excludes \$4,200,000 representing deposits in transit.

*Federal savings and loan associations*

Under the act of June 13, 1933 (48 Stat. 133), as amended April 27, 1934 (48 Stat. 645), the Secretary of the Treasury was authorized on behalf of the United States to subscribe for preferred shares and full-paid income shares in Federal savings and loan associations upon request of the Federal Home Loan Bank Board. An appropriation of \$50,000,000 to enable the Secretary of the Treasury to purchase such shares was reduced by an allocation of \$700,000 to the Federal Home Loan Bank Board. The details concerning the provisions of law under which these subscriptions were made and the appropriations are contained in the annual report for 1940, pages 176 and 177.

The Home Owners' Loan Corporation also was authorized to purchase full-paid income shares of Federal savings and loan associations after the funds available to the Secretary of the Treasury for the purchase of such shares had been exhausted. The funds available to the Secretary of the Treasury were exhausted on October 25, 1935.

During the fiscal year 1945, the sum of \$2,072,300 was received on account of shares repaid, making the total shares repaid to June 30, 1945, \$46,645,500.

The following statement shows the transactions in connection with the subscriptions by the Secretary of the Treasury to preferred and full-paid income shares in these associations during the fiscal year 1945.

*Preferred and full-paid income shares of Federal savings and loan associations subscribed by the Secretary of the Treasury through June 30, 1945, and dividends received*

[Par value of shares]

	Preferred shares	Full-paid in- come shares	Total
Total shares subscribed and paid .....	\$637, 800	\$48, 662, 200	\$49, 300, 000. 00
Shares held on June 30, 1944.....		4, 726, 800	4, 726, 800. 00
Less shares repaid during 1945.....		2, 072, 300	2, 072, 300. 00
Shares held on June 30, 1945.....		2, 654, 500	2, 654, 500. 00
Dividends received on preferred and full-paid income shares:			
Through June 30, 1944.....			10, 355, 770. 45
During 1945.....			93, 087. 25
Through June 30, 1945.....			10, 448, 857. 70

*Undelivered war savings bonds and cash received from war contractors*

In connection with the operation of the payroll savings system for the purchase of war savings bonds by employees of private contractors performing work for the Government under cost-plus-a-fixed-fee contracts, arrangements have been made for the safekeeping by the Treasury Department of undelivered bonds and unclaimed payroll deductions. These bonds and funds, which belong to persons whose whereabouts are unknown, are received by the Treasury through the various departments and establishments having jurisdiction over

the contracts. The bonds and funds are held subject to reclaim by employees upon proper identification. These arrangements have been made with the War Department, Navy Department, United States Maritime Commission, Defense Plant Corporation, and the Federal Public Housing Authority. The unclaimed bonds and funds received and returned as of June 30, 1945, are set forth in the table following.

	Cash		Bonds	
	Number	Amount	Number	Amount
Received.....	17,725	\$80,856.26	1,361	\$39,312.50
Returned.....	498	8,161.66	127	3,468.85
Balance.....	17,227	72,694.60	1,234	35,843.65

*Trust and special funds invested by the Treasury Department*

Under various provisions of law creating trust and special funds, the Secretary of the Treasury or the Treasurer of the United States is authorized to invest such portions of the funds as are not required to meet current withdrawals. The following statement shows the amount of Government and other securities held in these funds at the close of the fiscal year. Further details on each of these funds are shown in the tables beginning on page 623.

*Securities held as investments in trust and special funds, at par value, June 30, 1945*

[In thousands of dollars]

Fund	Government securities	Other securities	Total
Adjusted service certificate fund.....	14,500		14,500
Ainsworth Library fund, Walter Reed General Hospital.....	10		10
Alaska Railroad retirement and disability fund.....	1,911		1,911
Canal Zone retirement and disability fund.....	10,298		10,298
Civil service retirement and disability fund.....	1,848,270		1,848,270
District of Columbia teachers' retirement fund.....	11,237	253	11,490
District of Columbia water fund.....	1,773		1,773
Federal old-age and survivors insurance trust fund.....	6,545,934		6,545,934
Foreign service retirement and disability fund.....	7,836		7,836
Library of Congress trust fund.....		163	163
Longshoremen's and harbor workers' compensation fund.....	344		344
National Institute of Health gift fund.....	86		86
National park trust fund.....	18		18
National service life insurance fund.....	3,187,125		3,187,125
Pershing Hall Memorial fund.....	191		191
Railroad retirement account.....	500,500		500,500
Unemployment trust fund.....	7,307,173		7,307,173
U. S. Government life insurance fund.....	1,140,585		1,140,585
U. S. Naval Academy general gift fund.....	85		85
Workmen's Compensation Act, within the District of Columbia.....	48		48
Total.....	20,577,924	416	20,578,340

## BUREAU OF THE PUBLIC DEBT

The Bureau of the Public Debt, under the Commissioner of the Public Debt, is the branch of the Fiscal Service of the Treasury Department generally charged with the administration of the debt. Its functions extend to the conduct or direction of transactions in the security issues of the United States, and in those of the insular governments and of the Government-owned corporations for which the Treasury Department acts as agent. The Bureau is also charged with certain matters relating to the currency. Two offices are maintained, one in Washington, the other in Chicago. All assigned functions are conducted by the Washington office except those relating to savings bonds, which are conducted by the Chicago office. The principal functions of the Bureau as assigned to its constituent units, together with summaries of activities during 1945, follow.<sup>1</sup>

*Washington office**Office of the Commissioner*

The Office of the Commissioner exercises general supervision over the Bureau, and over transactions in public debt securities, whether conducted by units of the Bureau in Washington or Chicago, or by official agencies. This office prepares the necessary documents and instructions incident to each offering, and directs the handling of subscriptions and allotments; it formulates regulations governing transactions in public debt securities, prepares instructions governing transactions by Federal Reserve banks, fiscal agents of the United States, and by other official agencies, and exercises general supervision over agencies for the sale or for the payment of United States savings bonds; determines requirements for United States currency, purchases distinctive paper, and compiles the monthly circulation statement.

*Division of Loans and Currency (Washington)*

This office is the agency through which public debt obligations of the United States are issued. It is also responsible for the issue of securities of various Government corporations and credit agencies and for the issue of obligations of the insular governments, for which the Treasury Department acts as agent. It conducts transactions in such obligations after their issue (except in savings bonds, which are conducted at its Chicago branch), and maintains the accounts of the registered issues of transferable securities, and issues checks in payment of interest thereon. The office undertakes the safekeeping of securities for certain Government offices. It verifies and delivers to the Destruction Committee canceled currency redeemed by the Treasurer of the United States and mutilated paper (spoilage, etc.) received from the Division of Paper Custody and the Bureau of Engraving and Printing.

*Issue and retirement of securities.*—The following is a summary of the issue and retirement of securities conducted through the Division of Loans and Currency in Washington during the fiscal year 1945.



*Transactions in public debt and insular securities and in securities of various Government corporations and credit agencies, fiscal year 1945*

[Principal amount]

Transaction	Bearer	Registered	Total
<b>Public debt securities:</b>			
On hand July 1, 1944.....	\$192, 530, 487, 650	\$42, 939, 415, 850	\$235, 469, 903, 500
Unissued stock returned to Division.....	1, 652, 500	2, 634, 325	4, 286, 825
Received from Bureau of Engraving and Printing.....	202, 848, 220, 000	48, 043, 086, 230	250, 891, 306, 230
Total to be accounted for.....	395, 380, 360, 150	90, 985, 136, 405	486, 365, 496, 555
<b>Stock shipments to Federal Reserve banks and branches, Post Office Department, and issuing agents for United States savings bonds.....</b>	183, 599, 783, 500	26, 657, 393, 025	210, 257, 176, 525
Issued by Division.....	147, 613, 500	25, 222, 191, 525	25, 369, 805, 025
Unissued stock delivered to the Register of the Treasury.....	23, 450, 282, 700	1, 102, 365, 015	24, 552, 647, 715
Unissued stock delivered to the Bureau of Engraving and Printing.....		50, 000	50, 000
Total disposals.....	207, 197, 679, 700	52, 981, 999, 565	260, 179, 679, 265
On hand June 30, 1945.....	188, 182, 680, 450	38, 003, 136, 840	226, 185, 817, 290
Retired and redeemed.....	693, 367, 940	16, 864, 002, 695	17, 557, 370, 635
<b>Insular securities and securities of Government corporations and credit agencies:</b>			
On hand July 1, 1944.....	1, 718, 681, 719	289, 470, 550	2, 008, 152, 269
Received from Bureau of Engraving and Printing.....	332, 957, 200	817, 220, 000	1, 150, 177, 200
Total to be accounted for.....	2, 051, 638, 919	1, 106, 690, 550	3, 158, 329, 469
<b>Stock shipments to Federal Reserve banks and branches.....</b>	290, 355, 500		290, 355, 500
Issued by Division.....	20, 000	771, 327, 800	771, 347, 800
Unissued stock delivered to the Register of the Treasury.....	270, 886, 819	51, 992, 950	322, 879, 769
Total disposals.....	561, 262, 319	823, 320, 750	1, 384, 583, 069
On hand June 30, 1945.....	1, 490, 376, 600	283, 369, 800	1, 773, 746, 400
Retired and redeemed.....	495, 700	358, 769, 700	359, 265, 400

*Individual registered accounts.*—Individual accounts are maintained in the Washington office in connection with registered issues of the United States (excluding savings bonds) and of securities of various Government corporations and credit agencies; and interest is paid periodically in the form of checks on the interest-bearing debt. The accounts open June 30, 1945, were as follows:

Registered issues	Number of accounts	Principal
<b>Public debt:</b>		
Interest-bearing loans <sup>1</sup> .....	473, 465	\$33, 824, 545, 796. 40
Matured loans (Liberty, Victory, Treasury, postal savings bonds, etc.).....	14, 737	10, 359, 630. 00
Total public debt issues.....	488, 202	33, 834, 905, 426. 40
<b>Others:</b>		
Interest-bearing loans:		
Consolidated Federal farm loan bonds.....	4, 332	21, 234, 900. 00
Federal Housing Administration debentures.....	516	33, 930, 536. 23
Total interest-bearing loans.....	4, 848	55, 165, 436. 23
<b>Matured loans:</b>		
Home Owners' Loan Corporation bonds.....	160	1, 121, 000. 00
Federal Farm Mortgage Corporation bonds.....	630	953, 900. 00
Consolidated Federal farm loan bonds.....	149	314, 600. 00
Total matured loans.....	939	2, 389, 500. 00
Total other issues.....	5, 787	57, 554, 936. 23

<sup>1</sup> Excludes savings bonds and adjusted service bonds.

There were 60,781 individual accounts closed for registered Liberty bonds, Victory notes, special Treasury notes, certificates of indebtedness, postal savings issues, depository bonds, Treasury bonds, etc.; and 4,223 accounts were decreased, representing retirements of securities in the amount of \$15,474,862,670 par value. In connection with the same loans, 108,880 new accounts, involving \$23,899,209,900 of principal, were opened. During the year 19,117 changes of address for mailing of interest checks were made.

Interest on registered Treasury bonds was paid on due dates in the form of \$29,474 checks amounting to \$305,236,907.90; on registered securities of the postal savings loans, etc., 57,907 checks for \$4,235,967.25 were issued; and on registered issues of special Treasury notes and certificates of indebtedness, interest payable by 12 checks amounting to \$125,247,988.45 was paid. Also 1 check was issued in payment of interest amounting to \$22,507,108.04 on the 4½ percent adjusted service bonds—United States Government life insurance fund series; and 2,162 checks were issued in payment of interest amounting to \$7,687,850.32 on the 2 percent depository bonds. There were received from the Bureau of Engraving and Printing 1,010,700 checks as stock.

*Claims.*—Claims for relief, on account of lost, stolen, destroyed, or mutilated securities, handled by the Division of Loans and Currency in Washington during the year were as follows:

Claims	Number of claims	Number of securities	Par amount of securities
Public debt issues <sup>1</sup>			
On hand July 1, 1944.....	23,155	55,861	\$7,858,100.45
Received.....	35,068	52,008	5,663,337.61
Total to be accounted for.....	58,223	107,869	13,521,438.06
Settled by:			
Reissue or redemption of securities.....	356	1,162	1,291,389.37
Recovery of securities.....	5,264	7,505	873,439.66
Disallowance of claims and credit allowed.....	27,132	34,302	2,789,471.80
Other dispositions.....	431	616	33,741.10
Total disposals.....	33,183	43,585	4,988,041.93
On hand June 30, 1945.....	25,040	64,284	8,533,396.13
Home Owners' Loan Corporation, Federal Farm Mortgage Corporation, and consolidated Federal farm loan bonds			
On hand July 1, 1944.....	292	1,407	\$561,021.25
Received.....	63	211	71,883.33
Total to be accounted for.....	355	1,618	632,904.58
Settled by reissue, redemption, recovery or no relief, and other dispositions.....	72	203	148,550.00
On hand June 30, 1945.....	283	1,415	484,354.58

<sup>1</sup> Includes adjusted service bonds.

*Safekeeping of securities.*—During the year transactions in securities held in safekeeping were as follows:

Issues	On hand July 1, 1944	Received and receipts issued	Released	On hand June 30, 1945
Public debt issues.....	\$14,556,907,906.40	\$20,525,519,500.00	\$14,776,998,000.00	\$20,305,429,406.40
Adjusted service bonds.....	2,300.00		750.00	1,550.00
Insular securities.....	6,454,500.00			6,454,500.00
Home Owners' Loan Corporation bonds.....	580,000,000.00	755,000,000.00	325,018,000.00	1,009,982,000.00
Total.....	15,143,364,706.40	21,280,519,500.00	15,102,016,750.00	21,321,867,456.40

*Mutilated paper and redeemed currency.*—Mutilated paper verified and delivered to the Destruction Committee consisted of 61,391,027 sheets and coupons, of which 61,373,362 sheets and coupons were received from the Bureau of Engraving and Printing and 17,665 sheets from the Division of Paper Custody.

Redeemed currency, unfit for circulation, counted and delivered to the Destruction Committee during the year, amounted to 849,440,-710 pieces, representing \$1,112,086,332, detailed as follows:

Currency	Pieces	Face value
United States notes.....	38,067,650	\$137,435,825
Silver certificates.....	811,300,185	972,689,477
Gold certificates.....	72,518	1,956,820
Treasury notes.....	357	4,210
Total.....	849,440,710	1,112,086,332

In addition to the securities which were delivered to the Register of the Treasury, the Division canceled and delivered to the Register 1,628,211 coupons amounting to \$371,059,898.43. Of these, 1,570,108 were public debt coupons amounting to \$365,296,532.31 and 58,103 amounting to \$5,763,366.12 were coupons from securities of Government corporations and credit agencies.

*Reports.*—Various periodical and special statements, charts, etc., were prepared by the Washington office for use in planning financing operations. During the year there was incorporated in these statements information obtained from 105,168 reports covering holdings of Government and Government-guaranteed securities submitted by banks and insurance companies and from 231,349 reports reflecting sales of United States savings bonds submitted by corporations generally and by other agencies.

*Office of the Register of the Treasury (Washington)*

This Office is charged with the receipt, from any source, of all redeemed, exchanged, or unissued public debt securities (except United States savings bonds, which are handled by the Chicago branch of this Office), including interest coupons and war savings stamps, canceled and retired on any account, and with their final audit and subsequent custody. The Office performs similar functions with respect to the securities issued by various Government corporations and agencies, and retires bonds of the insular possessions which are exchanged for other securities. The Register renders monthly certifications to the Comptroller General of all public debt securities redeemed by the Treasurer of the United States, and establishes credits due the Division of Loans and Currency and the Federal Reserve banks for securities canceled by them on account of exchanges, etc.

The following statement shows the number of pieces and face value of the various classes of securities which were received by the Washington office during the fiscal year 1945.

*Summary of securities received by the Washington Office of the Register of the Treasury  
on account of transactions, fiscal year 1945*

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
Redeemed				
Public debt securities:				
Postal savings bonds, etc.....	14	\$1,000.00	110	\$96,020.00
Liberty loans.....	3,783	2,011,100.00	444	146,950.00
Treasury bonds.....	282,993	1,033,516,600.00	42,862	65,725,550.00
Treasury notes.....	172,561	5,364,217,350.00	342	1,921,087,000.00
Treasury notes—tax series and savings series.....			771,249	6,452,075,900.00
United States savings bonds.....			1	760.00
Depository bonds.....			869	63,712,250.00
Adjusted service bonds.....			1,644,670	182,233,500.00
Certificates of indebtedness.....	746,835	29,997,040,250.00	320	7,964,382,000.00
Treasury bills.....	280,940	63,834,557,000.00		
Treasury (war) savings securities.....	17,635	26,676.25	700	6,335.00
Interest coupons.....	17,137,685	2,174,532,459.19		
Other securities:				
Home Owners' Loan Corporation:				
Bonds.....	179,047	787,986,575.00	1,257	338,828,000.00
Interest coupons.....	268,985	11,759,413.11		
Interest checks.....			202	114,967.50
Federal Farm Mortgage Corporation:				
Bonds.....	75,096	31,739,900.00	4,706	2,636,100.00
Interest coupons.....	100,350	550,787.41		
Interest checks.....			149	6,494.60
Consolidated Federal farm loans of the Federal land banks:				
Bonds.....	151,393	336,843,600.00	2,939	7,651,900.00
Interest coupons.....	765,124	25,398,348.54		
Interest checks.....			9,761	740,751.27
Federal Housing Administration:				
Debentures.....			702	3,759,450.00
Interest checks.....			1,201	927,973.10
Federal home loan banks:				
Consolidated debentures.....	2,231	80,500,000.00		
Interest coupons.....	40	400.00		
Reconstruction Finance Corporation:				
Notes.....	41	142,000.00		
Interest coupons.....	119	1,592.50		
Commodity Credit Corporation:				
Notes.....	29,395	411,521,000.00		
Interest coupons.....	35,437	2,413,088.40		
Federal Public Housing Authority:				
Notes.....	13	58,000.00		
Interest coupons.....	17	426.29		
Total.....	20,249,734	104,094,817,566.69	2,482,482	16,904,130,321.47
Retired on account of exchanges for other securities, etc.				
Public debt securities:				
Postal savings bonds, etc.....	329	\$93,100.00	6,063	\$4,168,900.00
Liberty loans.....	500	38,150.00		
Treasury bonds.....	616,258	4,741,668,100.00	78,323	964,487,000.00
Treasury notes.....	165,971	6,940,968,100.00	11	202,579,000.00
Treasury notes—tax series and savings series.....			8,268	228,418,925.00
United States savings bonds.....			1	100.00
Depository bonds.....			423	93,574,250.00
Excess profits tax refund bonds.....			3,502	52,056,514.57
Adjusted service bonds.....			419	20,950.00
Certificates of indebtedness.....	194,114	13,110,886,000.00	4	5,588,950,000.00
Treasury bills.....	2,507	995,446,000.00		
First 3½% Liberty loan interim certificates.....	6	450.00		
Other securities:				
Insular possessions loans.....			207	300,000.00
Home Owners' Loan Corporation bonds.....	6,029	19,872,250.00	38	1,546,000.00
Consolidated Federal farm loans of the Federal land banks, bonds.....	23,846	26,831,600.00	2,312	2,679,500.00
Federal Housing Administration debentures.....			803	988,250.00

Footnotes at end of table.



*Summary of securities received by the Washington Office of the Register of the Treasury  
on account of transactions, fiscal year 1945—Continued*

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
Retired on account of exchanges for other securities, etc.—Continued				
Other securities—Continued.				
Federal home loan banks, consolidated debentures.....	4	\$40,000.00	-----	-----
Commodity Credit Corporation notes.....	2,432	15,877,000.00	-----	-----
Total.....	1,011,996	25,851,720,750.00	100,372	\$7,139,769,189.57
Unissued stock retired				
Public debt securities:				
Postal savings bonds, etc.....			373	\$63,840.00
Treasury bonds.....	47,304	\$336,938,000.00	3,833	69,107,100.00
Treasury notes.....	343,485	5,552,072,400.00	1	No value
Treasury notes—tax series and savings series.....			151,280	392,432,100.00
United States savings bonds.....			1,141,620	1,033,581,725.00
Depository bonds.....			125	No value
Excess profits tax refund bonds.....			1,440	No value
Certificates of indebtedness.....	745,267	24,228,017,000.00		
Treasury bills.....	32,732	3,696,396,000.00		
Interest coupons.....	4,444,442	852,601,420.59		
Other securities:				
Insular possessions loans.....			4,067	15,827,000.00
Home Owners' Loan Corporation:				
Bonds.....	14,459	55,393,250.00		
Interest coupons.....	20,661	1,357,424.17		
Federal Farm Mortgage Corporation bonds.....	422	956,300.00		
Consolidated Federal farm loans of the Federal land banks:				
Bonds.....	63,181	122,767,500.00	13,898	36,155,500.00
Interest coupons.....	114,071	6,908,524.66		
Federal Housing Administration debentures.....			6	10,450.00
Federal home loan banks, consolidated debentures.....	1	10,000.00		
Commodity Credit Corporation:				
Notes.....	7,171	110,076,000.00		
Interest coupons.....	7,368	704,469.71		
Federal National Mortgage Association notes.....	29,998	71,049,000.00		
Federal Public Housing Authority notes.....	7,464	112,845,000.00		
Federal Savings and Loan Insurance Corporation bonds.....	44	7,118.78		
Total.....	5,878,070	35,148,099,407.91	1,316,643	1,547,177,715.00
Recapitulation				
Public debt securities:				
Postal savings bonds, etc.....	343	\$94,100.00	6,546	\$4,328,760.00
Liberty loans.....	4,283	2,049,250.00	444	146,950.00
Treasury bonds.....	946,555	6,112,122,700.00	125,018	1,099,319,650.00
Treasury notes.....	682,017	17,857,257,850.00	354	2,123,666,000.00
Treasury notes—tax series and savings series.....			930,797	7,072,926,925.00
United States savings bonds.....			1,141,618	1,033,580,865.00
Depository bonds.....			1,417	157,286,500.00
Excess profits tax refund bonds.....			4,942	52,056,514.57
Adjusted service bonds.....			1,645,089	182,254,450.00
Certificates of indebtedness.....	1,686,216	67,335,943,250.00	324	13,553,332,000.00
Treasury bills.....	316,179	68,526,399,000.00		
First 3½% Liberty loan interim certificates.....	6	450.00		
Treasury (war) savings securities.....	17,635	26,676.25	700	6,335.00
Interest coupons.....	21,582,127	3,027,133,879.78		

Footnotes at end of table.

*Summary of securities received by the Washington Office of the Register of the Treasury on account of transactions, fiscal year 1945—Continued*

Security	Bearer		Registered	
	Pieces	Amount	Pieces	Amount
Recapitulation—Continued				
Other securities:				
Insular possessions loans			4,274	\$16,127,000.00
Home Owners' Loan Corporation:				
Bonds	199,535	\$863,252,075.00	1,295	340,374,000.00
Interest coupons	289,646	13,116,837.28		
Interest checks			202	114,907.50
Federal Farm Mortgage Corporation:				
Bonds	75,518	32,696,200.00	4,706	2,636,100.00
Interest coupons	100,350	550,787.41		
Interest checks			149	6,494.60
Consolidated Federal farm loans of the Federal land banks:				
Bonds	238,420	486,442,700.00	19,149	46,486,900.00
Interest coupons	879,195	32,306,873.20		
Interest checks			9,761	740,751.27
Federal Housing Administration:				
Debentures			1,511	4,758,150.00
Interest checks			1,201	927,973.10
Federal home loan banks:				
Consolidated debentures	2,236	80,550,000.00		
Interest coupons	40	400.00		
Reconstruction Finance Corporation:				
Notes	41	142,000.00		
Interest coupons	119	1,592.50		
Commodity Credit Corporation:				
Notes	38,998	537,474,000.00		
Interest coupons	42,805	3,117,558.11		
Federal National Mortgage Association notes	29,998	71,049,000.00		
Federal Public Housing Authority:				
Notes	7,477	112,903,000.00		
Interest coupons	17	426.29		
Federal Savings and Loan Insurance Corporation bonds	44	7,118.78		
Total	27,139,800	165,094,637,724.60	3,899,497	25,591,077,226.04

NOTE.—Redeemed bonds, notes, and debentures are audited through May 1945 settlement. Redeemed interest coupons are audited through November 1944 settlement.

<sup>1</sup> Does not include 840,212 pieces, amounting to \$42,010,600, belonging to June 1945 settlement, to be delivered by the Treasurer of the United States.

*Division of Public Debt Accounts and Audit (Washington)*

This Division maintains administrative control accounts for (1) all security transactions in the public debt which are conducted by the various Treasury offices and by the Federal Reserve banks and branches as fiscal agents of the United States, and (2) savings bond transactions conducted by the Post Office Department and the Postal Service, Division of Disbursement, Government Printing Office, Library of Congress, War Department, and Navy Department; maintains control accounts for transactions involving distinctive and non-distinctive paper used in printing public debt and other securities, United States currency, stamps, etc., in the Bureau of Engraving and Printing; conducts administrative examinations and audits of such transactions and of the securities involved; maintains control accounts for various classes of unissued currency in reserve, and conducts administrative examinations and physical audits of such unissued stocks and cash balances in custody, and of collateral securities held in trust in the Office of the Treasurer of the United States; and maintains administrative control accounts for transactions in securities of various Government corporations and agencies.

The increasing volume of transactions in public debt securities as a result of expanded war financing resulted in an increase in the number of administrative control accounts maintained by the Washington Office. The more extensive participation by branches of Federal Reserve banks in such security transactions also required the establishment and maintenance of an additional number of accounts.

During the fiscal year the Division conducted 121 audits involving physical count of securities, currencies, distinctive and nondistinctive paper, interest checks, etc., amounting to about \$245,558 million in face value and 163,245,046 in number of pieces; an examination and audit of 107,110 accounts of holders of registered bonds; and an audit of the numerical registers involving examination of 12,929,622 spaces representing securities retired and outstanding. Other special audits were conducted upon instructions received from the Secretary of the Treasury.

In addition, the Division determined and certified (1) credits to the cumulative sinking fund and amounts in the sinking fund available for expenditure from time to time, (2) interest on all classes of public debt securities and securities of various Government corporations and credit agencies which became due and payable on their respective interest-payment dates, and (3) the amount of each form of such securities and unpaid interest outstanding each month. The Division prepared estimates of interest to become payable on public debt securities in future fiscal years and of expenditures for the sinking fund and other special accounts. Statements showing the accountability of Federal Reserve banks and branches for public debt and other securities were prepared by the Division for use by the Federal Reserve Board examiners in their periodical examinations of those banks. Numerous data pertaining to transactions in public debt and other securities were compiled for the use of various interested offices and individuals.

*Division of Paper Custody (Washington)*

This Division receives from the contractors all distinctive paper used in printing public debt obligations and paper currency of the United States and issues such paper to the Bureau of Engraving and Printing against orders to print; it also maintains records of receipts and issues of Federal Reserve notes stored in the Federal Reserve vault. In connection with the manufacture of paper, a field force is maintained at the mill of the contractors.

The following tables summarize the operations of the Division during the year.

*Receipts and issues of distinctive and nondistinctive paper, fiscal year 1945*

[In sheets]

Kind	On hand July 1, 1944	Received	Issued	On hand June 30, 1945
<b>DISTINCTIVE</b>				
United States currency and Federal Reserve notes.....	22, 119, 693	126, 634, 004	117, 571, 184	31, 182, 513
United States bonds.....	9, 179, 763	40, 777, 052	42, 053, 601	7, 903, 214
Cuban currency.....		1, 190, 500	178, 500	1, 012, 000
Philippine currency.....	173, 742	14, 367, 865	14, 025, 951	515, 656
Total.....	31, 473, 198	182, 969, 421	173, 829, 236	40, 613, 383
<b>NONDISTINCTIVE</b>				
Parchment, artificial parchment, and parchment deed.....	733, 098	2, 215, 893	827, 841	2, 121, 150
Philippine Islands postal card.....	49, 605		26, 000	23, 605
Miscellaneous.....	2, 265, 771	2, 158, 843	1, 569, 408	2, 855, 206
Total.....	3, 048, 474	4, 374, 736	2, 423, 249	4, 999, 961

*Receipts and issues of Federal Reserve notes, fiscal year 1945*

[In thousands of dollars]

Federal Reserve notes	On hand July 1, 1944	Received	Issued	On hand June 30, 1945
Series 1928 .....	2, 812, 100	-----	-----	2, 812, 100
Series 1934 .....	5, 173, 720	7, 374, 460	7, 642, 120	4, 906, 060

During the year 173,931,669 sheets of paper were counted prior to issue to the Bureau of Engraving and Printing for authorized work.

*Destruction Committee (Washington)*

The following table summarizes the securities (including redeemed canceled currency) and miscellaneous items received from the various offices and destroyed by the Destruction Committee during the year:

*Number and face amount of securities and miscellaneous items destroyed by the Destruction Committee, fiscal year 1945*

Office making delivery, and items	Number of pieces	Face value
Division of Loans and Currency and Treasurer of the United States:		
United States notes .....	38, 098, 020	\$137, 519, 725. 00
Silver certificates .....	811, 776, 925	973, 698, 177. 00
Gold certificates .....	72, 518	1, 956, 820. 00
Treasury notes .....	357	4, 210. 00
Total .....	849, 947, 820	1, 113, 178, 932. 00
Comptroller of the Currency, national banks, and Federal Reserve bank agents:		
Federal Reserve notes .....	267, 292, 280	2, 487, 882, 690. 00
Federal Reserve bank notes .....	7, 980, 529	71, 542, 481. 00
National bank notes .....	428, 812	6, 002, 869. 00
Total .....	275, 701, 621	2, 565, 428, 040. 00
Register of the Treasury:		
Principal pieces .....	9, 834, 865	37, 030, 610, 286. 09
Coupons .....	45, 178, 640	1, 475, 292, 387. 17
Total .....	55, 013, 505	38, 505, 902, 673. 26
Chicago office, Bureau of the Public Debt:		
Registered savings bonds unissued .....	1, 018, 800	32, 062, 500. 00
Redeemed savings stamps, post offices .....		249, 605, 459. 45
Redeemed savings stamps, Federal Reserve banks and branches .....		9, 438, 516. 20
Savings stamps unissued .....		81, 896. 50
Total .....	1, 018, 800	291, 188, 372. 15
Bureau of Internal Revenue miscellaneous stamps .....		972, 176, 872. 43
Bureau of Engraving and Printing registered proof sheets .....	19, 800	-----
Division of Loans and Currency:		
For Bureau of Engraving and Printing—mutilated work (sheets) ..	40, 153, 335	-----
For Division of Paper Custody (sheets) .....	17, 665	-----
Void coupons .....	21, 218, 011	-----
Nondistinctive coupons .....	2, 016	-----
Checks, Securities Section .....	81, 084	-----
Total .....	61, 472, 111	-----
Grand total .....	1, 243, 173, 657	43, 447, 874, 889. 84

*Chicago office*

Branches of the Washington office, together with the Division of Savings Bonds, constitute the Chicago office of the Bureau, which is in charge of a Deputy Commissioner. The functions assigned to the



offices relate wholly to United States savings bonds and stamps. A résumé of the duties and a summary of the activities of each of the constituent divisions of the office follow.

#### *Administrative Office*

The Administrative Office generally exercises supervision over the entire Chicago office, and specifically handles matters relating to budgetary estimates and accounts, personnel, including recruitment and employee training, service and supply, equipment and facilities, and management, including surveys with a view to improving operating procedure.

The total number of employees increased from 8,223 at the beginning of the year to 9,916 on June 30, 1945. During the year, 10,850 persons were interviewed and 7,205 were selected for available positions, and 5,512 employees were separated from the service. Of those appointed, 2,016 were employed for the summer only, and 211 were employed in the Danville office under the Division of Loans and Currency. A total of 6,168.7 man-years of service was rendered, and the expenditures on account of personal services were \$11,932,241.

Under the Destruction Committee, 262 tons of war savings stamps, 17 tons of obsolete savings bonds, and approximately 241 tons of unusable material were destroyed during the year, all paper being salvaged.

The centralized mail service received and routed to the proper divisions 746,981 items of ordinary mail, of which 436,536 items required searching in the files before reference. There were 79,397 registered letters and packages received and 3,330 registered pouches. A total of 21,872 telegrams were received over the leased wire and 15,252 were transmitted.

#### *Division of Loans and Currency (Chicago)*

The work of this Division is concerned, first, in establishing the registration records of savings bonds issued, and, second, in performing services to the owners of the outstanding bonds.

*Registration of Series E bonds.*—Savings bonds are registered two ways: (1) By serial number according to series and denomination (numerical file), and (2) by name of owner according to series (alphabetical file). These operations are accomplished through the media of registration stubs in the form of standard punch cards, each of which carries an exact description, including inscription, of the particular bond issued. The punch cards permit the various processes involved in the registration largely to be conducted by mechanical means through machine assortments of the cards. After the cards are assorted numerically they are microfilmed, and the microfilm constitutes the numerical record. Thereafter, in ordinary course the cards are key punched with the names of owners and machine sorted alphabetically. The registration cards filed alphabetically constitute the alphabetical file, which in time will be replaced by microfilm records. On January 6, 1945, the alphabetical stub file unit was transferred from this Division to the Division of Savings Bonds. The following table presents in summary form the operations involving the registration of Series E bonds during 1945 in the Division of Loans and Currency.

*Series E bond registration stubs*

	<i>Number of stubs</i>
On hand July 1, 1944 (processing incomplete).....	225,050,499
Received during the year.....	294,232,741
Total to be processed.....	519,283,240
Processed during the year:	
Numerical sort.....	320,891,082
Microfilmed (numerical sequence).....	338,195,071
Key punched (names of owners).....	199,106,374
Alphabetical sort.....	220,706,258
Delivered for filing and for further sorting:	
Alphabetical sort delivered to files and Division of Savings Bonds.....	218,398,758
Other stubs delivered to Division of Savings Bonds.....	94,185,651
	312,584,409
On hand June 30, 1945 (processing incomplete).....	206,698,801

As a means of relieving the alphabetical key punch operation, a branch of the E Bond Unit of the Division of Loans and Currency was established at Danville, Ill., during June 1945 with the installation of 150 key punch machines and a complement of 204 employees.

*Registration of Series F and G bonds.*—Registration of these bonds is accomplished in the same manner as that of Series E bonds, but for Series G bonds it is necessary to establish accounts for paying semiannual interest. During the year 995,091 stubs from Series F bonds issued and 2,490,514 from Series G bonds issued were received.

*Series G bonds interest accounts.*—Series G bonds are on continuous sale; they are dated as of the first day of the month in which issued, and bear interest from that date payable semiannually by means of checks issued against the accounts of owners. A summary of the operations during the year in connection with G bond accounts follows.

	<i>Number</i>
Stub cards punched and verified.....	2,503,089
Control cards punched.....	41,734
Stubs tabulated for interest summary cards.....	2,509,089
Interest summary cards cut.....	1,064,340
Check issues reproduced.....	5,860,425
Checks written.....	5,860,425
Stencils cut and verified.....	609,370
New accounts during year.....	611,038
Accounts at end of year.....	3,110,051
Changes of address functioned.....	68,079

*Claims.*—Applications for the issue of duplicates of lost, stolen, and destroyed savings bonds were received and passed upon as follows:

	<i>Number of cases</i>
On hand July 1, 1944—unsettled.....	16,653
Received during the year.....	108,088
Total cases to be settled.....	124,741
Settlements:	
Duplicates authorized.....	52,977
Credits authorized.....	32,054
Bonds recovered and cases closed.....	26,701
	111,732
On hand June 30, 1945—unsettled.....	13,009
Number of letters received during year.....	270,061
Number of Forms PD 1048 received.....	75,436
Number of caveats entered.....	144,723
Number of caveats removed.....	38,245

*Statistical work.*—Data on sales of saving bonds were compiled from 18,060,926 stubs during the year; and data on Series E bond redemptions were compiled from 134,545 advices of shipment of redeemed bonds.

*Bond transactions and correspondence.*—During the year a large volume of correspondence was carried on with the owners of savings bonds who submitted their bonds for redemption or reissue or who requested legal determinations of authority for bond redemptions. The scope of this work is shown in the following statement.

Examination of bonds, etc.:	Number
Bonds received on various accounts.....	879,650
Bonds redeemed, reissued, or returned.....	858,219
Legal papers received.....	55,238
Legal papers examined.....	56,326
Bond cases examined.....	65,442
Bonds examined.....	413,541
General correspondence:	
Letters received.....	107,369
Bonds received.....	40,919
Letters mailed.....	109,538
Memoranda sent.....	5,857
Letters filed without answer or referred elsewhere.....	15,495

*Office of the Register of the Treasury (Chicago)*

This Office is charged with the receipt, audit, and certification for credit, and with the subsequent custody of all United States savings bonds and stamps redeemed for the account of the Treasurer of the United States, or retired for other accounts, and with the clearance of every redeemed and retired savings bond on the numerical registers.

The following table shows the bonds and stamps audited during the year.

	Pieces	Amount
<b>Bonds:</b>		
Redeemed.....	103,859,464	\$3,278,672,152.99
Exchanged.....	2,684,780	410,424,425.00
Unissued stock.....	10,122,511	779,228,800.00
Total.....	116,666,755	4,468,325,377.99
<b>Stamps:</b>		
Redeemed (albums).....	22,014,383	293,995,575.30
Unissued stock.....	430,872	82,872.00
Total.....	22,445,255	294,078,447.30

During the year 1,018,500 unissued bonds, 19,472,283 albums with stamps affixed, and 426,321 unissued stamps were delivered to the Destruction Committee.

Reflecting the clearance of the retired bonds on the numerical registers has been exceedingly difficult due to the large number of clearances. Plans are under consideration for decentralizing the redemption procedure, and it is believed this will correct the situation and at the same time expedite the audit of the retired bonds.

*Division of Public Debt Accounts and Audit (Chicago)*

This office maintains the accounts of savings bonds sold and redeemed, and of all interim transactions in the bonds. All issues and retirements are verified through appropriate reports from agencies conducting transactions and through audits. The original registration stubs, from bonds sold by issuing agents, on receipt at the Chicago office are audited by this Division to establish the correctness of the receipts from sales credited in the account of the Treasurer of the United States. Stubs from canceled stock and from reissued

bonds likewise, following receipt, are audited to establish the correctness of stock credits.

During the year registration stubs were audited as follows:

Registration stubs from bonds—	Pieces	Maturity value
Sold.....	302,801,913	<sup>1</sup> \$19,111,561,540
Unissued.....	10,084,652	776,320,255
Reissued.....	2,557,833	398,661,120
Exchanged for other denominations.....	2,575	4,754,550
Involved in claims cases.....	124,454	7,011,530
Total.....	315,571,427	20,298,308,995

<sup>1</sup> Cash receipts from sales amounting to \$14,990,367,900.25 credited to Treasurer's account.

In addition to the continuing audit of bonds and stubs in conjunction with representatives of the Division of Loans and Currency, the Office of the Register, the Post Office Department, and the Navy Department, various spot or surprise audits are conducted in the Division of Loans and Currency.

The installation of bookkeeping machines has greatly facilitated the handling of some 8,000 separate accounts requiring approximately 75,000 monthly postings. These accounts furnish necessary information for the preparation of a monthly report to the Washington office which is the basis of credit extended by that office to the various agencies accountable for unissued stock of savings bonds.

Interest in the amount of \$210,516,026.25 on outstanding Series G bonds was certified for payment during the year; and 5,800,001 valid, 41,206 voided, and 140,852 unclaimed interest checks were audited.

#### *Division of Savings Bonds (Chicago)*

During the year the Division continued to function as an adjunct of the War Finance Division in promoting the sale of savings bonds and stamps. In that capacity, the Division received more than 203,000,000 pieces of material and dispatched 193,000,000 pieces in about 467,000 packages. At the end of the year the current mailing lists comprised 1,618,000 addressograph plates. The Division continued to handle the mail-order Regular Purchase Plan, without material change in volume.

A major change in the Division during the year was the transfer from the Division of Loans and Currency on January 6, 1945, of the stub files activities, which involve the alphabetical arrangement and filing of the registration stubs of Series E bonds. During the last 6 months of the fiscal year 160,806,598 E bond stubs were received from the Division of Loans and Currency for assorting and filing, 81,723,430 were arranged alphabetically, leaving a balance of 79,083,168 unarranged stubs on hand on June 30, 1945. The manual sorting of 21,000,000 August 1944 stubs was begun on May 25, and finished 6 weeks thereafter. On June 25 the Bureau leased space in 6 Chicago high schools, and employed high school students, with teachers as supervisors, for the purpose of manually assorting approximately 110,200,000 stubs. These 2 projects, augmenting the work now being done by machine, will greatly reduce the backlog of unassorted and unfiled stubs.



## TREASURER OF THE UNITED STATES

Public moneys are received and disbursed through the accounts of the Treasurer of the United States. His office maintains the general Treasury asset and liability accounts, the accounts covering the sales and redemptions of public debt securities, the accounts for the issue and redemption of United States paper currency, the accounts with Government depositaries, and the checking accounts with disbursing officers of the Government. Funds appropriated by Congress for the use of the various departments and establishments of the Government are advanced to disbursing officers as required through credits to their accounts with the Treasurer, and disbursements are made by checks drawn by disbursing officers against such accounts. The Treasurer is the official custodian of the public money; he is also fiscal agent for the payment of the principal of and interest on the public debt, for the issue and redemption of United States paper currency, for the redemption of Federal Reserve notes, Federal Reserve Bank notes, and national bank notes, and is treasurer of the Board of Trustees of the Postal Savings System and trustee and custodian of miscellaneous securities and trust funds. He acts as special agent for the payment of the principal of and interest on bonds and other obligations of the insular governments and of Government corporations and agencies.

The Daily Statement of the United States Treasury, the monthly statement of the public debt, the statement of classified receipts and expenditures of the Government, and the statement of paper currency outstanding by kinds and denominations are prepared in the Office of the Treasurer.

A comparison of the receipts and expenditures of the Government for the fiscal years 1944 and 1945, exclusive of postal revenues and payments payable therefrom, is shown in the following table:

*Summary of receipts and expenditures, fiscal years 1944 and 1945*

[On basis of daily Treasury statements, see p. 437]

	1944	1945	Increase or decrease (—)
General and special accounts:			
Net receipts.....	\$44, 148, 926, 968. 07	\$46, 456, 554, 579. 71	\$2, 307, 627, 611. 64
Expenditures, excluding statutory debt retirements (sinking fund, etc.).....	93, 743, 513. 213. 84	100, 404, 594, 685. 54	6, 661, 081, 471. 70
Excess of expenditures, excluding statutory debt retirements.....	49, 594, 586, 245. 77	53, 948, 040, 105. 83	4, 353, 453, 860. 06
Trust accounts, etc.:			
Receipts.....	5, 052, 721, 588. 47	<sup>1</sup> 7, 058, 610, 910. 39	2, 005, 889, 321. 92
Expenditures:			
Trust and other accounts.....	4, 700, 377, 863. 19	<sup>1</sup> 5, 081, 810, 129. 80	381, 432, 266. 61
Transactions in checking accounts of Government agencies, etc. (net).....	4, 403, 068, 674. 50	1, 178, 383, 134. 11	—3, 224, 685, 540. 39
Total expenditures.....	9, 103, 446, 537. 69	<sup>1</sup> 6, 260, 193, 263. 91	—2, 843, 253, 273. 78
Excess of receipts or expenditures) (—).....	—4, 050, 724, 949. 22	798, 417, 646. 48	—4, 849, 142, 595. 70

<sup>1</sup> Differs from corresponding figure shown on the daily Treasury statement for June 30, 1945, because of adjustment in classification.

The total public debt obligations outstanding on June 30, 1944, were \$201,003,387,221.13 and the receipts and retirements during the fiscal year 1945 were \$179,158,935,266.86 and \$121,480,135,078.06,

respectively, making \$258,682,187,409.93 of obligations outstanding on June 30, 1945, an increase for the year of \$57,678,800,188.80.

The public debt retirements chargeable against ordinary receipts during the year amounted to \$2,000 and are included in the total retirements shown above.

The amount of interest paid on the public debt during the year is classified as follows:

Class of interest payment	Amount <sup>1</sup>
Interest coupons paid	\$2, 170, 673, 141.84
Registered interest checks paid	675, 482, 011.59
Accrued interest paid in cash on obligations at redemption	157, 363, 944.88
Discount on Treasury bills sold	63, 512, 322.55
Discount accrued on United States savings bonds	387, 010, 134.19
Interest paid on obligations, special series (transfer-counter warrant transactions)	188, 105, 992.25
Total paid	3, 642, 147, 547.30
Less repayments	25, 461, 498.99
Net payments	3, 616, 686, 048.31

<sup>1</sup> On basis of daily Treasury statement.

The number of pieces of public debt principal obligations examined, verified, and redeemed during the year was 172,298,966 as compared with 121,784,837 pieces for the previous year. Checks in payment of interest on the registered obligations of the United States verified and paid totaled 6,412,274 pieces, and the matured interest coupons of Government obligations examined, verified, and paid totaled 17,138,362 pieces.

The gold holdings of the Treasury as of June 30, 1945, were 577,512,303.3 ounces amounting to \$20,212,930,614.08, valued at \$35 an ounce, a decrease of 27,442,032.2 ounces and \$960,471,127.78 from the previous year. The details of these holdings are shown in the table on page 612 of this report. The decrease in gold holdings was due principally to a net reduction of \$960,764,962.97 in holdings by mints and assay offices on account of transfers to foreign accounts for earmark, exports, etc. (valued at \$35 an ounce); receipts of gold (paid for at \$20.67+an ounce) under the order of December 28, 1933, of the Secretary of the Treasury amounted to \$173,546.11; and the increment resulting from reduction in the weight of the gold dollar amounted to \$120,289.08.

Paper currency of each class issued and redeemed during the year and the amounts outstanding, including Treasury and Federal Reserve Bank holdings on June 30, 1944 and 1945, were as follows:

Class	Outstanding June 30, 1944	Issued	Redeemed	Outstanding June 30, 1945	
				In Treasury	Outside Treasury
Gold certificates	\$2, 870, 095, 919		\$2, 013, 450	\$523, 190	\$2, 867, 559, 279
Silver certificates	1, 837, 952, 596	\$1, 045, 120, 000	1, 026, 792, 960	41, 001, 430	1, 815, 278, 206
United States notes	346, 684, 016	145, 240, 000	145, 240, 000	2, 819, 670	343, 861, 346
Treasury notes of 1890	1, 155, 348		4, 210	1, 430	1, 149, 708
Federal Reserve notes	19, 527, 973, 590	7, 689, 915, 000	3, 566, 913, 695	123, 971, 367	23, 527, 003, 528
Federal Reserve Bank notes	605, 040, 799		71, 031, 481	1, 166, 067	532, 813, 251
National bank notes	127, 218, 244		6, 002, 869	517, 865	120, 697, 510
Total	25, 316, 087, 512	8, 880, 275, 000	4, 817, 998, 665	170, 001, 019	29, 208, 362, 828

NOTE.—On basis of Monthly Statement of Paper Currency Outstanding.

Paper currency, old and new series, outstanding by classes and denominations on June 30, 1945, was as follows:

	Old series	New series	Total
<b>CLASS</b>			
United States notes .....	\$25,486,585	\$321,194,431	\$346,681,016
Treasury notes of 1890 .....	1,151,138	-----	1,151,138
Federal Reserve notes .....	51,168,600	23,569,806,295	23,650,974,895
Federal Reserve Bank notes .....	2,151,463	531,827,855	533,979,318
National bank notes .....	32,727,358	88,488,017	121,215,375
Gold certificates .....	25,458,544	2,842,623,925	2,868,082,469
Silver certificates .....	31,017,732	1,825,261,904	1,856,279,636
<b>Total</b> .....	169,161,420	29,209,202,427	29,378,363,847
Percent of total outstanding .....	0.58	99.42	100.00
<b>DENOMINATION</b>			
\$1 .....	\$26,786,719	\$1,151,134,262	\$1,177,920,981
\$2 .....	7,498,768	81,785,688	89,284,456
\$5 .....	31,909,635	2,301,483,825	2,333,393,460
\$10 .....	38,438,012	6,682,636,630	6,731,074,642
\$20 .....	35,192,636	8,373,759,300	8,408,951,936
\$50 .....	10,881,540	2,184,275,825	2,195,157,365
\$100 .....	12,816,470	4,127,102,660	4,139,919,070
\$500 .....	2,423,000	506,439,750	508,862,750
\$1,000 .....	3,817,500	915,183,000	919,000,500
\$5,000 .....	165,000	13,025,000	13,190,000
\$10,000 .....	170,000	52,370,000	52,540,000
\$100,000 .....	-----	2,810,000,000	2,810,000,000
Fractional parts .....	62,140	487	62,627
Deduct: Unknown destroyed .....	1,000,000	-----	1,000,000
<b>Total</b> .....	169,161,420	29,209,202,427	29,378,363,847

The variation in percentage of denominations of paper currency outstanding to the total since June 30, 1940, is shown in the following statement.

Denomination	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945
<b>Percent of total amount outstanding</b>						
\$1 .....	6.22	6.18	5.64	5.05	4.48	4.01
\$2 .....	.43	.40	.36	.35	.33	.30
\$5 .....	11.48	10.77	10.37	9.91	8.59	7.94
\$10 .....	17.78	19.49	21.47	23.66	22.83	22.91
\$20 .....	15.79	17.38	20.94	24.35	25.83	28.62
\$50 .....	4.74	5.11	5.63	6.17	6.91	7.47
\$100 .....	9.68	10.32	10.81	11.38	13.94	14.09
\$500 .....	2.09	2.11	1.83	1.69	1.99	1.73
\$1,000 .....	4.72	4.67	4.03	3.33	3.78	3.13
\$5,000 .....	.28	.22	.10	.07	.06	.05
\$10,000 .....	.61	.56	.28	.24	.16	.18
\$100,000 .....	26.18	22.79	18.54	13.80	11.10	9.57
<b>Total</b> .....	100.00	100.00	100.00	100.00	100.00	100.00
Total amount of currency out-standing .....	\$10,734,726,079	\$12,329,715,330	\$15,154,324,392	\$20,356,717,055	\$25,316,087,512	\$29,378,363,847

United States paper currency shipped during the year from the Treasury in Washington to Federal Reserve Banks and branches and others amounted to \$1,171,193,475,\* a decrease of \$4,321,215 from the previous year.

The Treasurer's Office during the year directed shipments of current silver and minor coins between the United States Treasury, the

United States mints, and the Federal Reserve Banks and branches for use in public disbursements, etc., as follows:

Kind	Shipments from Treasury to Federal Reserve Banks and branches	Shipments from mints to Treasury and Federal Reserve Banks and branches	Shipments between Federal Reserve Banks and branches
Silver:			
Standard dollars.....		\$21,844,000.00	\$50,000.00
Half dollars.....	\$240,000.00	26,352,900.50	
Quarter dollars.....		29,510,500.00	1,025,000.00
Dimes.....		32,893,500.00	
Minor:			
5-cent pieces.....	110,000.00	10,921,300.00	125,000.00
1-cent pieces.....		18,272,280.00	
Total.....	350,000.00	139,794,480.50	1,200,000.00

Shipments and transfers of gold coin and bullion and of uncurrent silver and minor coins to the mints from the Treasury and the Federal Reserve Banks and branches were authorized in the amounts of \$293,081 and \$2,535,029, respectively.

The proceeds of currency received into the Treasurer's cash by the Currency Redemption Division during the year amounted to \$530,142,630, of which \$364,310,880 was in Federal Reserve notes, \$71,538,039 in Federal Reserve Bank notes, \$6,057,746 in national bank notes, and \$88,235,965 in United States currency.

Canceled Federal Reserve notes amounting to \$2,715,261,705 were received from Federal Reserve Banks and branches for credit of Federal Reserve agents. These notes are not taken into the Treasurer's cash because settlement therefor is made between the Federal Reserve Banks and the Federal Reserve agents.

Public moneys on deposit in designated Government depositories on June 30, 1945, to the credit of the Treasurer of the United States amounted to \$24,381,678,779 including items in transit. The table on page 612 shows the amounts in the various depositories on June 30 of the last 2 years.

Transfers to establish, to increase, and to restore the Treasurer's balance with depository banks during the fiscal year 1945 numbered 1,631 and aggregated \$755,464,945.

Principal obligations of Government corporations and agencies and insular governments redeemed by the Treasurer during the year amounted to \$1,679,688.050; checks issued by the Treasurer in payment of interest on such registered obligations paid during the year amounted to \$2,234,524; interest coupons on such obligations paid amounted to \$42,223,510; and interest paid in cash when such obligations were redeemed amounted to \$2,659,284.

Funds were advanced to United States disbursing officers by accountable warrants issued in an aggregate amount of \$104,861,645,633. Treasurer's checks aggregating \$77,204,307 were issued on settlement warrants in payment of claims settled by the Comptroller General.

Checks drawn on the Treasurer of the United States by Government disbursing officers and agencies were paid during the fiscal year 1945 to the estimated number of 332,426,649, of which number 211,083,531 were paid for the Treasurer by Federal Reserve Banks acting as his agents. The total number of checks paid during the previous fiscal year was 290,025,490, of which number 123,227,357 were paid



through the Federal Reserve Banks. Thus, the number of all checks increased during the fiscal year by 15 percent, and the number of payments at Federal Reserve Banks increased by 71 percent.

Balances to the credit of disbursing officers and Government agencies in 11,088 accounts on June 30, 1945, amounted to \$23,218,525,-101, an increase of \$3,785,603,504 as compared with the total of such balances in 10,112 accounts on June 30, 1944.

Payments to correct irregularities in negotiation of checks were made during the fiscal year 1945 to the number of 9,112, amounting to 563,979 while in the previous year the number was 12,322 amounting to \$828,178.

Duplicate checks to the number of 89,303 were requested by payees or endorsees during the fiscal year 1945 as compared with 52,414 during the previous fiscal year, the original check in each case having been lost, stolen, wholly or partly destroyed, or so mutilated or defaced as to impair its value to its owner or holder.

Drafts in 44 different kinds of foreign currencies, aggregating 1,638 in number, were purchased during the year by the Treasurer for various agencies of the Government at a cost of \$240,033.

Payments aggregating \$469,830,067 were made by means of 332 cable transfers during the fiscal year 1945 to Government officers located in 22 different foreign countries.

Commercial checks, drafts, and postal express money orders, etc., aggregating 2,764,353 items and amounting to \$3,172,993,845 were deposited by Government officers with the Treasurer of the United States for collection.

The Treasurer is custodian of securities pledged for the safekeeping and prompt payment of Government deposits in bank depositaries, of postal savings funds in depositaries designated to receive such funds, and, under provisions of law or by direction of the Secretary of the Treasury, of various trust funds comprised of bonds and other obligations and of securities placed in safekeeping by various Government executive departments and bureaus. The face value of such securities held on June 30, 1944, and June 30, 1945, classified according to the purpose for which held, is shown in the following table.

Purpose for which held	June 30, 1944	June 30, 1945
To secure deposits of public moneys in depository banks.....	\$424, 822, 025	\$452, 637, 200
To secure deposits of postal savings funds.....	10, 597, 050	9, 287, 150
For District of Columbia:		
Teachers' retirement fund.....	10, 708, 050	10, 250, 050
Water fund.....	1, 773, 000	1, 773, 000
Other.....	402, 170	5, 496, 170
United States savings bonds held for various depositories.....	60, 706, 025	68, 316, 515
For the Board of Trustees, Postal Savings System.....	1, 759, 425, 730	2, 393, 325, 570
For the Secretary of War.....	11, 365, 230	12, 365, 230
For the Secretary of the Treasury:		
Foreign obligations.....	12, 072, 400, 757	12, 072, 313, 757
Obligations on account of sales of surplus property.....	46, 737, 095	46, 737, 095
Capital stock and obligations of Government corporations and agencies.....	11, 237, 797, 565	12, 479, 643, 578
Other.....	6, 361, 325	5, 844, 495
For Farm Credit Administration.....	176, 000, 000	-----
For Federal Deposit Insurance Corporation.....	468, 725, 300	445, 703, 600
For Alien Property investment account.....	20, 861, 207	20, 861, 207
Miscellaneous.....	117, 736, 557	104, 030, 746
Total.....	26, 426, 419, 086	28, 128, 585, 363

## BUDGET AND IMPROVEMENT COMMITTEE

Prior to the war, the review and analysis of the Treasury Department's appropriation estimates were performed by the Treasury's Budget and Improvement Committee. From the time of its establishment in 1922, this Committee was comprised of bureau officials whose services as members of the Committee were performed in addition to their regular bureau functions. This arrangement was feasible up to the period of the war, when the increased operations within the several bureaus made it impossible for the Committee members to continue to devote any appreciable time to the Department's budgetary operations without neglecting their bureau duties. The war had the additional result of increasing substantially the scope and frequency of budgetary operations. Whereas appropriation estimates prior to the war were confined, as a rule, to the preparation of annual requirements, it has become necessary in recent years to prepare an increased number of supplemental estimates, thus changing the Department's budget operations from a seasonal task to a continuing program extending throughout the year. Budgetary functions have also been enlarged as a result of the introduction of certain new elements, such as overtime pay, automatic promotions, night differential, computation of requirements on a man-year basis, the determination of personnel ceilings, the preparation of requirements for penalty mail, etc., all of which have brought about a continuous flow of work.

To cope with this enlarged program, the Departmental Budget Officer is now relying to a great extent on the services of the Budget Division, in which the appropriation estimates are initially examined prior to review by the Budget Officer. This Division also compiles the various reports to the Budget Bureau, the congressional appropriations committees, and other agencies. Ultimately it may be possible to reinstate the Budget and Improvement Committee as an active body, whenever the volume of work within the bureaus will permit the assignment of officials as members of the Committee. The Budget Division, however, will continue to perform the important examining and investigative functions which are essential to the Budget Officer's review.

In addition to the regular estimates of appropriations for the fiscal year 1946, supplemental and deficiency estimates aggregating \$392,787,938 were received during the fiscal year 1945.

Reserves amounting to \$32,369,500 were set aside from the ordinary appropriations for the fiscal year 1945 by the bureaus and offices of the Department. During the year reserves amounting to \$612,672 were released by the Director of the Bureau of the Budget after approval of the Budget Officer, leaving a reserve of \$31,756,828 at the end of the year.

For the fiscal year 1947 estimates aggregating \$10,389,510,500 were approved by the Departmental Budget Officer and submitted to the Director of the Bureau of the Budget. Such estimates included \$367,622,933 for annual appropriations; \$1,588,982,543 for permanent and indefinite appropriations and special funds; \$2,840,189,870 for trust funds; \$5,000,000,000 for interest on the public debt; and \$592,715,154 for public debt retirements chargeable against ordinary receipts.

BUREAU OF THE COMPTROLLER OF THE CURRENCY <sup>1</sup>

The Bureau of the Comptroller of the Currency is responsible for the execution of all laws relating to the supervision of national banking associations and all banks and building and loan associations in the District of Columbia. The Bureau is also responsible for the liquidation of suspended national banks placed in charge of receivers. Under the Emergency Banking Act of March 9, 1933, approval of the Comptroller of the Currency is required for the issuance and retirement of preferred stock of national banking associations. Other duties include those incident to the formation and chartering of new national banking associations, the establishment of branch banks, the consolidation of banks, and the conversion of State banks into national banks.

*Changes in the condition of active national banks*

The total assets of the 5,021 active national banks in the United States and possessions on June 30, 1945, amounted to \$81,795 million, an increase of \$11,394 million since June 30, 1944, when there were 5,042 active banks. The deposits of the banks in 1945 totaled \$76,826 million, which was \$10,992 million more than in 1944. The loans and securities totaled \$63,409 million, representing an increase of \$9,891 million during the year. Capital funds of \$4,473 million were \$362 million more than in the preceding year.

The assets and liabilities of the active national banks on the date of each report from June 30, 1944, to June 30, 1945, are shown in the following statement.

*Abstract of reports of condition of active national banks on the date of each report from June 30, 1944, to June 30, 1945*

[In thousands of dollars]

	June 30, 1944 (5,042 banks)	Dec. 30, 1944 (5,031 banks)	Mar. 30, 1945 (5,025 banks)	June 30, 1945 (5,021 banks)
<b>ASSETS</b>				
Loans and discounts, including overdrafts.....	11, 229, 680	11, 497, 802	10, 544, 996	12, 389, 133
U. S. Government securities, direct obligations.....	38, 156, 365	42, 836, 320	43, 993, 856	47, 230, 307
Obligations guaranteed by U. S. Government.....	634, 504	642, 469		25, 156
Obligations of States and political subdivisions.....	2, 032, 998	2, 056, 722	2, 129, 036	2, 200, 505
Other bonds, notes, and debentures.....	1, 318, 488	1, 345, 369	1, 372, 440	1, 422, 677
Corporate stocks, including stocks of Federal Reserve Banks.....	146, 168	141, 449	144, 958	141, 256
<i>Total loans and securities.....</i>	<i>53, 518, 203</i>	<i>58, 520, 131</i>	<i>58, 185, 286</i>	<i>63, 409, 034</i>
Cash, balances with other banks, including reserve balances, and cash items in process of collection.....	16, 059, 734	17, 637, 249	17, 213, 087	17, 612, 951
Bank premises owned, furniture and fixtures.....	532, 377	513, 522	511, 702	503, 793
Real estate owned other than bank premises.....	25, 582	18, 158	16, 784	12, 960
Investments and other assets indirectly representing bank premises or other real estate.....	49, 356	47, 640	47, 643	45, 937
Customers' liability on acceptances outstanding.....	34, 003	42, 721	30, 144	27, 191
Interest, commissions, rent, and other income earned or accrued but not collected.....	116, 883	122, 223	103, 925	135, 460
Other assets.....	64, 807	48, 215	51, 967	47, 507
<b>Total assets.....</b>	<b>70, 400, 945</b>	<b>76, 949, 859</b>	<b>76, 160, 538</b>	<b>81, 794, 833</b>

<sup>1</sup> More detailed information concerning the Bureau of the Comptroller of the Currency is contained in the annual report of the Comptroller.

*Abstract of reports of condition of active national banks on the date of each report from June 30, 1944, to June 30, 1945—Continued*

[In thousands of dollars]

	June 30, 1944 (5,042 banks)	Dec. 30, 1944 (5,031 banks)	Mar. 20, 1945 (5,025 banks)	June 30, 1945 (5,021 banks)
<b>LIABILITIES</b>				
Demand deposits of individuals, partnerships, and corporations.....	32,745,584	36,320,754	38,385,841	37,126,500
Time deposits of individuals, partnerships, and corporations.....	11,056,548	12,655,090	13,444,701	14,315,450
Deposits of U. S. Government and postal savings.....	10,825,128	11,171,856	7,614,668	13,210,056
Deposits of States and political subdivisions.....	2,998,352	3,070,539	3,266,274	3,153,723
Deposits of banks.....	7,403,551	8,058,120	7,650,166	8,251,954
Other deposits (certified and cashiers' checks, etc.).....	804,090	852,578	821,563	767,854
Total deposits.....	65,833,253	72,128,937	71,183,213	76,825,537
<i>Demand deposits</i> .....	<i>54,408,676</i>	<i>59,094,187</i>	<i>57,336,380</i>	<i>62,093,681</i>
<i>Time deposits</i> .....	<i>11,424,577</i>	<i>13,034,750</i>	<i>13,846,833</i>	<i>14,731,856</i>
Bills payable, rediscounts, and other liabilities for borrowed money.....	6,205	54,180	130,389	5,209
Mortgages or other liens on bank premises and other real estate.....	60	109	64	59
Acceptances executed by or for account of reporting banks and outstanding.....	37,869	48,469	36,454	31,776
Interest, discount, rent, and other income collected but not earned.....	23,867	24,565	26,333	26,482
Interest, taxes, and other expenses accrued and unpaid.....	147,566	168,465	179,442	194,885
Other liabilities.....	241,516	250,269	218,068	238,332
Total liabilities.....	66,290,336	72,674,994	71,773,963	77,322,280
<b>CAPITAL ACCOUNTS</b>				
Capital stock.....	1,553,578	1,566,905	1,576,209	1,624,184
Surplus.....	1,692,172	1,808,959	1,833,980	1,875,277
Undivided profits.....	604,198	632,000	704,066	692,146
Reserves and retirement account for preferred stock.....	260,661	267,001	272,320	280,946
Total capital accounts.....	4,110,609	4,274,865	4,386,575	4,472,553
Total liabilities and capital accounts.....	70,400,945	76,949,859	76,160,538	81,794,833

*Summary of changes in the National Banking System*

The authorized capital stock of the 5,030 national banks in existence on June 30, 1945 (including 4 banks that had discontinued business although not in formal liquidation and 5 banks chartered during the period but not open for business as of that date), consisted of common capital stock aggregating \$1,546 million, an increase of \$103 million, and preferred capital stock aggregating \$81 million, a decrease during the year of \$34 million. The total net increase of capital stock was \$69 million. During the year charters were issued to 25 national banking associations which had common capital stock aggregating over \$3 million. There was a net decrease of 19 in the number of national banks in the system during the year by reason of voluntary liquidations and consolidations under the act of November 7, 1918, as amended.

Changes in the number and capital stock of national banks during the fiscal year 1945 are shown in the following summary.



*Organization, capital stock changes, and liquidations of national banks, fiscal year 1945*

	Number of banks	Capital stock	
		Common	Preferred
Charters granted.....	25	\$3,055,000	-----
Increases of capital stock:			
3 banks, by new issues.....			\$1,219,130
253 banks, by regular increases.....		41,323,280	
414 banks, by stock dividends.....		62,186,174	
12 banks, by conversion of preferred capital stock.....		1,051,900	
6 banks, by consolidation (act Nov. 7, 1918, as amended).....		1,721,000	
Total increases.....	25	109,337,354	1,219,130
Voluntary liquidations.....	39	2,916,000	1,065,000
Decreases of capital stock:			
15 banks, by reduction.....		1,565,500	
1 bank, by decrease of par value of preferred capital stock.....			115,000
533 banks, by retirement.....			34,387,822
Closed under consolidation (act Nov. 7, 1918, as amended).....	5	1,500,000	125,000
Total decreases.....	44	5,981,500	35,692,822
Net changes during the year.....	-19	+103,355,854	-34,473,692
Charters in force June 30, 1944.....	5,049	1,442,174,229	115,011,042
Charters in force June 30, 1945.....	1 <sup>1</sup> 5,030	1,545,530,083	80,537,350

<sup>1</sup> This figure differs from that shown in the preceding table. Banks that have discontinued business although not in formal liquidation do not submit reports of condition but are included in this table. Included also are 5 banks chartered during the period that had not opened for business as of June 30, 1945.

### BUREAU OF CUSTOMS

The principal functions of the Bureau of Customs are to enter and clear vessels; supervise the discharge of cargo; ascertain the quantities of imported merchandise, appraise and classify such merchandise, and assess and collect the duties thereon; control the customs warehousing of imported merchandise; enforce customs and other laws by patrolling the international borders and inspecting international traffic by vessel, highway, railway, and air; review protests against the payment of duties; determine and certify for payment the amount of drawback due upon the exportation of articles manufactured or produced from duty-paid or tax-paid imports; prevent the smuggling of contraband merchandise and the release of prohibited articles; prevent and detect undervaluations and frauds on the customs revenue; apprehend violators of the customs laws; enforce the Anti-dumping Act and perform certain duties under the Foreign Trade Zones Act.

#### *Collections*

Customs collections during the fiscal year 1945 receded somewhat from the high level of the preceding year to a figure which approximated the average customs collections during the 15 years since the passage of the present Tariff Act on June 17, 1930. With a total of \$358,138,757 in 1945, collections were 17.5 percent smaller than during the previous year, when a total was attained which had been exceeded only nine times in the country's history—in 1937 and in the eight successive years from 1923 to 1930, inclusive.

The downward trend of collections which prevailed during the last three months of the fiscal year 1944 continued during the first two months of 1945, collections in August 1944 being only \$23,407,658, the lowest since November 1942. Throughout the remainder of the year, however, collections rose steadily and almost continuously, interrupted only by a sharper recession than usual for the short month of February, to a peak of \$36,126,921 in May. The customary slight seasonal decline in collections took place in June. Throughout the year each quarter's collections exceeded those of the preceding quarter.

The types of collections during the past 2 fiscal years are shown in the table on page 489 of this report.

Diminished collections from the two most important types of entries, consumption entries and warehouse withdrawals, caused the lower total of collections for 1945. All the other types of entries, except the unimportant miscellaneous group, yielded increased revenues in 1945. The greater volume of tourist travel was reflected in increases of 46.5 and 42.8 percent in duties collected on baggage and informal entries, respectively. Although the number of mail entries was somewhat smaller than during the preceding year, the amount of duties collected on such entries showed a slight increase.

Smaller collections from three of the most important sources of customs revenue (sugar, wool, and alcoholic beverages) more than accounted for the entire decline in customs collections during 1945. Duties on alcoholic beverages, imports of which were far greater in 1944 than ever before owing to the diversion of domestic alcohol for the production of synthetic rubber and for other war purposes, declined sharply in 1945, with the moderating of previous restrictions, to a mere 55.5 percent of the total for the peak year. The 1945 collections on such imports exceeded by 19.9 percent the duties on alcoholic beverages in 1937, the peak year prior to 1944. Most of the imports of sugar were admitted free of duty during 1945 under Executive Order 9177, and as a result imported cane sugar yielded less than one-sixth as much revenue in 1945 (\$8,578,683) as in the previous year (\$53,286,873). Duties on imports of unmanufactured wool in 1945 (\$107,539,042) were smaller by \$14,674,987 than in the previous year when such collections were the greatest in customs history.

Duties on imported commodities, other than those included in the sugar, distilled liquor, and wool schedules, increased 17.9 percent from \$136,168,400 in 1944 to \$160,527,753 during the past fiscal year. The largest absolute increase appeared in the agricultural products schedule, which yielded \$14,357,825 more revenue than in 1944; greatly increased importations of corn, oats, wheat, potatoes, apples, and almonds contributed largely to this result.

The lifting of the security regulations makes it possible for the first time in four years to present current data on duties collected on imports from foreign countries (see table 101 on page 709). Duties on imports from Europe which declined continuously from 1938 to 1943, after a slight upturn in 1944, shrank to a new low in 1945. From a yield of almost half (47.6 percent) of the customs revenue in the last year before the war (1939) such duties produced in 1945 but two-fifths of their pre-war amount and only 17.4 percent of total duties collected. Although duties collected on imports from the United Kingdom during the past year were less than half of those in 1939, they constituted a larger percentage of the total collected on all European goods in 1945

than in the last pre-war year. Duties on imports from Switzerland, Spain, and Portugal, on the other hand, aggregated \$37,317,000 (62.7 percent of the European total) in 1945 compared with \$13,030,000 (8.8 percent of that total) in 1939. By 1945, our European sources of customs revenue were practically restricted to these four countries; the remainder of Europe, imports from which had been responsible for 64.1 percent of the total duties on all European goods in 1939, accounted for only 1.9 percent of that total during the past year.

Duties on Asiatic imports, after three years of successive declines from 1941 to 1944, yielded increased revenue during the past year, increases in duties on imports from Turkey, British India, Iran, and the Levant being responsible for the upward trend. Even at that, duties on Asiatic goods were less than half as much as in either 1940 or 1941 when duties on Chinese and Japanese goods constituted more than half of Asia's total.

With the dislocation of trade routes and the progressive closing of many former sources of supply, this country's foreign purchases were transferred from the war areas to other regions. Duties on imports from North and Central America rose from \$69,006,000 (22.1 percent of the total) in 1939 to \$177,008,000 (42.1 percent of the total) in 1944 and receded to \$116,637,000 (34.0 percent of the total) in 1945 because of the lessened imports of alcoholic beverages and the admission of the bulk of the sugar imports duty free under the terms of Executive Order 9177, which reduced duties on imports from Cuba to an even greater extent than on those from the entire area. Duties on Canadian goods, on the other hand, increased sharply in 1945 owing to increased imports of agricultural products, high-grade distilled liquors, and unmanufactured wool and, for the first time in many years, Canadian goods were the leading source of customs revenue while Cuba was relegated to second place.

War conditions also caused sharp increases in duties on imports from South America and Oceania to levels which continued with little change from 1941 to 1945. Duties on South American imports in 1945 were more than double and duties on imports from Oceania eight times those of 1939. Duties on imports from Argentina and Uruguay constituted three-fourths of the total for South America and those on Australian goods more than five-sixths of the total for Oceania, most of the duties from all three countries being collected on unmanufactured wool.

Duties on African products were also greatly augmented during the war years, reaching their peak in 1942 since which time they have progressively declined, influenced largely by the collections on imports of unmanufactured wool from the Union of South Africa. Even so, duties on African commodities in 1945 were almost treble those in 1939.

More than 70 percent of the total duties collected in 1945 was reported by eight customs districts, 56 percent of the total coming from New York, Massachusetts, and Philadelphia. Only 16 of the 46 customs districts reported larger collections than in 1944, the largest increases over the preceding year being in the San Diego, Arizona, Duluth and Superior, and Rochester districts, which showed increases of 226.7, 84.8, 71.7, and 64.9 percent, respectively. Larger collections than in 1944 were reported by only two of the eight leading districts, Michigan and Buffalo, with increases of 13.9 and 12.9 percent, respectively. A statement of the duties collected for each customs district appears in table 97 on page 702.

It will be observed that the aggregate of duty collections as estimated by tariff schedules is somewhat less than the actual collections reported by collectors of customs. This is in part due to the fact that the computations are necessarily based upon the data reported at the time of original entry and do not take into consideration the increased and additional duties levied as a result of the final determination of the correct quantity by the weighers and gaugers, changes in classification or rates of duty, or clerical errors found upon liquidation of the entry. Furthermore, the import documents, from which the statistics used in the computation of duties are compiled, do not include baggage, mail, and informal entries on which the duties collected amount to a considerable sum.

### *Volume of business*

In order to present statistics of the volume of customs business which are analogous to collections, the data which follow are limited to the area in which all collections are turned in to the Treasury of the United States. Since all customs receipts in the Virgin Islands and all except fines and other minor collections in Puerto Rico are deposited to the credit of their respective governments, none of the data for the Virgin Islands and none except those on seizures for Puerto Rico are included below.

*Entries of merchandise.*—The upward trend in the number of entries of merchandise continued for the second successive year, the increase over 1944 being due entirely to large increases in the number of baggage and informal entries, which more than offset decreases in most other types of entries. The increases in these two types of entries reflected the increase in border travel in the past year. The number of entries of merchandise during the past two years is shown in the following table.

*Number of entries of merchandise, fiscal years 1944 and 1945*

Type	1944	1945	Percentage increase or decrease (—)
Consumption entries.....	389,962	390,497	0.1
Warehouse and rewarehouse entries.....	30,834	27,413	—11.1
Warehouse withdrawals.....	111,402	97,534	—12.4
Mail entries.....	332,027	288,664	—13.1
Baggage entries.....	624,375	1,147,951	83.9
Informal entries.....	264,755	580,631	119.3
Appraisement entries.....	9,962	7,741	—22.3
All others.....	485,957	437,722	—9.9
Total.....	2,249,274	2,978,153	32.4

*Vessel, airplane, and highway traffic.*—For the fourth consecutive year border traffic increased. The only declines occurred in the number of passenger trains and of freight cars which entered the country. The number of passengers using the various means of transportation



for crossing the international boundaries increased in every case as the continued successes of the allied operations abroad resulted in the lessening of wartime restrictions. The following statement covers the leading classes of traffic for the past two years.

*Number of vehicles and persons entering the United States from abroad, fiscal years 1944 and 1945*

Kind of entrant	1944	1945	Percentage increase or decrease (—)
<b>Vehicles:</b>			
Automobiles and busses .....	7,915,026	9,160,895	15.7
Documented vessels .....	39,529	44,503	12.6
Undocumented vessels .....	21,713	26,900	23.9
Ferries .....	63,780	65,028	2.0
Passenger trains .....	34,079	33,926	—0.4
Freight cars .....	3,240,418	2,813,194	—13.2
Aircraft .....	25,865	50,411	94.9
Other vehicles .....	434,994	458,063	5.3
<b>Passenger by:</b>			
Automobiles and busses .....	26,742,425	31,721,049	18.6
Documented vessels .....	676,312	1,285,931	90.1
Undocumented vessels .....	67,900	127,208	87.3
Ferries .....	1,721,506	1,768,157	2.7
Passenger trains .....	3,101,303	3,254,250	4.9
Aircraft .....	338,992	739,608	118.2
Other vehicles .....	2,886,262	3,351,207	16.1
<b>Pedestrians</b> .....	14,566,267	17,037,011	17.0
<b>Total passengers and pedestrians</b> .....	50,100,967	59,284,421	18.3

Airplane traffic on international lines continued its expansion for the fourteenth consecutive year and showed a far greater growth during 1945, both relatively and absolutely, than for any previous period. The number of airplanes arriving from abroad was almost double and the number of passengers arriving by plane more than double that of the previous year. More than one-fourth of the planes and the airplane passengers arrived at the port of Miami, Fla. The large number of military personnel returning from Europe by plane accounted for a large portion of the increase and necessitated the use of a number of fields not previously designated for overseas landings—such as Portsmouth, N. H., Hartford, Conn., Wilmington, Del., Savannah, Ga., West Palm Beach, Key West, Jacksonville, and Tampa, Fla. Large increases in airplane traffic were also recorded at New York City, Baltimore, Md., Washington, D. C., Bangor, Maine, Burlington, Vt., Laredo and San Antonio, Tex., Great Falls, Mont., Minneapolis, Minn., Juneau, Alaska, New Orleans, La., and Honolulu, while traffic at Seattle, Wash., and Buffalo, N. Y., also maintained a high level. At Fort Fairfield, Maine, Pembina, N. Dak., Brownsville, Dallas, and El Paso, Texas, Los Angeles, Calif., Bellingham, Wash., Fairbanks, Alaska, and Detroit, Mich., slight decreases in international passenger travel by air were recorded. The following table shows the number of airplanes and airplane passengers entering the United States during the past two fiscal years.

*Number of airplanes and airplane passengers entering the United States, fiscal years 1944 and 1945*

District	Airplanes		Airplane passengers		Percentage increase or decrease (—)	
	1944	1945	1944	1945	Airplanes	Passengers
Northern border:						
Maine.....	2,806	3,592	22,714	39,493	28.0	73.9
Vermont.....	1,041	1,994	16,155	25,014	91.5	54.8
New York.....	1,291	5,136	16,145	82,296	297.8	409.7
Connecticut.....	2	2,193	29	35,854	109,550.0	123,534.5
Buffalo.....	614	637	4,775	5,939	3.7	24.4
Maryland.....	805	3,001	9,627	36,899	272.8	283.3
Michigan.....	953	933	11,596	10,147	-2.1	-12.5
Minnesota.....	15	826	275	13,184	5,406.7	4,694.2
Dakota.....	688	565	9,441	7,149	-17.9	-24.3
Montana.....	718	1,451	9,968	20,156	102.1	102.2
Washington.....	1,247	1,171	10,995	11,940	-6.1	8.6
Other.....	114	917	999	9,764	704.4	877.4
Total.....	10,294	22,416	112,719	297,835	117.8	164.2
Southern border:						
Los Angeles.....	362	360	5,360	4,790	-.6	-10.6
San Diego.....		112		472		
El Paso.....	360	356	5,404	6,172	-1.1	14.2
Laredo.....	1,505	2,205	23,548	29,065	46.5	23.4
Galveston.....	361	412	6,146	5,898	14.1	-4.0
New Orleans.....	218	434	5,070	6,927	99.1	36.6
Florida.....	9,553	15,637	146,044	214,503	63.7	46.9
Other.....	1	80	1	511		
Total.....	12,360	19,596	191,573	268,338	58.5	40.1
Alaska.....	1,146	1,392	6,463	9,212	21.5	42.5
Hawaii.....	2,065	7,007	28,237	164,223	239.3	481.6
Total.....	3,211	8,399	34,700	173,435	161.6	399.8
Grand total.....	25,865	50,411	338,992	739,608	94.9	118.2

*Drawback transactions.*—Although there was a slight increase in the number of drawback entries filed and in the certificates of importation issued, all other types of drawback transactions continued to decline for the third consecutive year and the total drawback allowed amounted to only \$6,655,477 or \$3,768,708 less than in 1944. More than 99.6 percent of the drawback allowed was on merchandise manufactured from imported materials, of which the most important during 1945 were wool, sugar, copper, lead, tungsten, tobacco, and aluminum. A comparison of these transactions during the past two years appears in the following table.

*Drawback transactions, fiscal years 1944 and 1945*

Transaction	1944	1945	Percentage increase or decrease (—)
	<i>Number</i>	<i>Number</i>	
Drawback entries received.....	9,334	9,354	0.2
Drawback notices of intent:			
Originating in the district.....	80,762	74,953	-7.2
Received from other districts.....	64,334	59,813	-7.0
Forwarded to other districts for disposition.....	61,382	49,105	-20.0
Certificates of manufacture received.....	4,779	3,578	-25.1
Import entries used in drawback liquidation.....	11,011	9,753	-11.4
Certificates of importation issued.....	3,113	3,268	5.0
	<i>Amount</i>	<i>Amount</i>	
Drawback allowed:			
Manufactures from imported merchandise.....	\$10,402,553.88	\$6,630,037.24	-36.3
Duty paid on merchandise exported from continuous customs custody.....	10,403.42	2,754.29	-73.5
Merchandise which did not conform to sample or specifications and returned to customs custody and exported.....	11,227.16	22,684.99	102.1
Total drawback allowed.....	10,424,184.46	6,655,476.52	-36.2
Internal revenue refund on account of domestic alcohol.....	434,771.67	478,216.51	10.0
Total.....	10,858,956.13	7,133,693.03	-34.3

The following table shows the principal commodities on which drawback was paid during the past two years.

*Principal commodities on which drawback was paid, fiscal years 1944 and 1945*

Commodity	1944	1945	Percentage increase or decrease (—)
Wool.....	\$2,266,309.61	\$1,998,204.24	-11.8
Sugar.....	1,034,269.56	695,703.42	-32.7
Copper.....	2,492,519.32	660,579.38	-73.5
Lead ore, matte, pigs.....	607,223.47	444,674.94	-26.8
Tungsten ore and powder.....	852,843.13	363,100.08	-57.4
Tobacco, unmanufactured.....	137,444.54	331,564.77	141.2
Aluminum, crude.....	559,462.84	316,861.24	-43.4
Zinc ore, blocks and manufactures.....	598,229.08	248,216.23	-58.5
Molybdenum ore.....		199,968.26	
Manganese.....	91,951.97	195,182.86	112.3
Nickel.....	65,080.94	150,109.21	130.7
Skins and skin plates.....		134,279.50	
Cotton cloth.....	56,103.34	132,006.09	135.3
Bauxite ore.....	124,179.87	62,327.68	-49.8
Carpet and rugs.....	89,957.29	61,918.26	-31.2
Automobile and parts and aircraft parts.....	30,525.33	57,683.87	89.0
Tallow, inedible.....	69,135.09	53,372.30	-22.8
Machinery and parts.....	108,224.57	44,182.28	-59.2
Butter.....	127,420.55	36,043.54	-71.7
Flaxseed.....	85,447.15	34,621.56	-59.5
Iron and steel manufactures.....	33,400.06	27,200.91	-18.6
Petroleum, crude.....	118,058.68	22,653.65	-80.8
Coal-tar products.....	85,825.98	10,464.65	-87.8
Raw cotton.....	93,197.08	9,974.25	-89.3

*Protests and appeals.*—A larger number of protests were filed by importers with collectors in 1945 than during the preceding year. Appeals for reappraisalment, however, continued to decline. The following statement shows the progress of this work for the past two years.

*Number of protests and appeals, fiscal years 1944 and 1945*

Status	1944	1945	Percentage increase or decrease (—)
Protests:			
Filed with collectors by importers.....	6,762	9,345	38.2
Allowed by collectors.....	404	331	—18.1
Denied by collectors and forwarded to customs court.....	7,644	8,569	12.1
Appeals for reappraisalment filed with collectors.....	2,944	2,345	—20.3

*Appraisalment.*—With the cessation of the war in Europe, the importation of merchandise used as war materials began to diminish and that of peacetime products to increase. Appraising officers report that many orders have been placed abroad not only for types of merchandise previously imported but also for new classes of merchandise. The importation of new classes of merchandise from Mexico and South American countries continued at a high level.

Fluctuating values and multiple currencies in various countries continued to complicate the problems of appraisalment. As a result of this, merchandise covered by approximately 24,000 invoices remained unappraised at the end of the fiscal year.

Mail importations sent by the personnel of the Army and Navy stationed overseas reached an all time high level. While few of these importations are dutiable, all have to be handled by customs personnel and many more than the usual number of examinations were required, necessitating the employment of additional customs personnel.

Differences of opinion between appraising officers as to the classification and valuation of merchandise showed a decrease over the previous year due to the availability of more complete information.

The activities of the Customs Information Exchange, which acts as a clearing house for the dissemination of information to all customs officers, are reflected by the following statistics.

Activity	1944	1945	Percentage increase or decrease (—)
	<i>Number</i>	<i>Number</i>	
Appraisers' reports of value or classification received.....	15,304	18,445	20.5
Differences in classification reported.....	1,457	1,316	—9.7
Differences in value reported.....	2,542	2,021	—20.5
Appraisalment appeals reports received.....	618	409	—33.8
Changes in value circulated.....	224	176	—21.4
Reports and price lists affecting values circulated.....	7,026	8,319	18.4
Requests for foreign investigations.....	373	380	1.9
Copies of foreign reports and price lists forwarded to interested appraising officers.....	15,253	15,038	—1.4

*Laboratories.*—The number of samples submitted to the nine customs laboratories diminished in 1945 to about one-half the total for the previous fiscal year. Due to a change in the character of the work required, however, there was no reduction in the over-all work



load. The discontinuance near the end of the fiscal year 1944 of the sampling and testing of imported sugar and the introduction during the fiscal year 1945 of new procedures for the sampling and testing of distilled spirits were responsible for the reduction in the number of samples tested. Changes in the testing procedure, as the result of the simplification of the sampling procedure, caused fewer samples of distilled spirits to be submitted to the laboratories but increased the amount of work required for the testing of each sample.

The number of samples tested during the fiscal year 1945 was 50,009 compared with 110,236 in 1944 and 91,955 in 1943.

In addition to the regular customs work, customs laboratories continued to render technical services to a large number of war agencies, including the Army, Navy, Maritime Commission, Treasury Procurement (Lend Lease), War Food Administration, Office of Price Administration, War Shipping Administration, Panama Canal Commission, Foreign Economic Administration, War Production Board, Defense Supplies Corporation, and Postal Censorship. War materials were tested and scientific methods of the detection of fraud and sabotage applied. Improved fingerprint powders, fluorescent markers, and other aids in surveillance work were developed and distributed to enforcement officers. About 10 percent of the time of 60 customs chemists was devoted to this work. The large volume of the work required by the Maritime Commission and the War Food Administration caused these agencies to place technical employees on their pay rolls and assign them to customs laboratories to work under the supervision of customs chemists. At the close of the fiscal year the former agency had seven such employees at work and the latter three.

Among the major technical projects completed by customs laboratories during the fiscal year were the issuance of new sampling procedures for distilled spirits and for wool in the grease to secure simplification of the sampling and liquidation practices. The solution of three projects was not completed at the end of the fiscal year: (1) a practical method based on statistical principles for determining the staple length of raw cotton used in fabrics and similar merchandise; (2) a method for proving whether certain Mexican earthenware, alleged to be made solely from clay, contained other materials; (3) a practical method for determining the fineness of wool.

#### *Law enforcement activities*

*Seizures.*—For the fourth successive year a larger number of seizures for violations of the customs laws were made than during the preceding year. The increase in the number of seizures was confined entirely to those covering merchandise, declines being recorded in the number of seizures of obscene articles, lottery materials, narcotics, and liquors. The shortage of cigarettes during the later months of the fiscal year accounted for 1,712 seizures, the value of which was almost six times that of the previous year. Increased tourist traffic resulted in increases in the value of seizures of jewelry and precious stones and of wearing apparel and luggage, while the value of guns and ammunition seized from the returning military and naval personnel was 12 times that of the preceding year. The total value of merchandise seized in 1945 was only one-sixth of the total for the previous year; the 1944 seizures, however, included cargo of seized vessels valued at \$3,984,381

and colors, dyes, etc., valued at \$449,998, while the value of these types of seizures in 1945 was comparatively small.

Although fewer narcotic seizures were made than in 1944 the value of seized narcotics was slightly greater than during the previous year. The largest individual narcotic seizure effected during the fiscal year consisted of 63½ pounds of raw opium seized in Baltimore in October 1944.

Two circumstances combined to cause a sharp reduction in the number, quantity, and value of distilled liquors seized. During 1944 the stocks of domestic distilled liquor were greatly depleted owing to the diversion of domestic alcohol for the production of synthetic rubber and other war purposes, resulting not only in a tremendous increase in the legitimate importation of distilled liquor, but also in a much greater number of cases of attempted smuggling. The return of the domestic liquor industry to a more normal condition greatly lessened the number of attempts at liquor smuggling. Furthermore, during the period of the domestic shortage many shippers were induced to send distilled liquors to this country who had not previously engaged in exporting it and who were not familiar with the requirements as to the marking of such shipments to indicate the name of the consignee and the net content of the container. With the reduction in importations and the increasing familiarity with customs requirements, seizures for such technical violations were much less numerous than in 1944.

The number and principal types of seizures made by the Customs Service and other governmental agencies for the violation of customs laws during the past two years are shown in the following table.

*Seizures for violations of the customs laws, fiscal years 1944 and 1945*

Seizure	1944	1945	Percentage increase or decrease (—)
Merchandise:			
Number.....	9, 449	13, 828	46. 3
Value:			
Jewelry, etc.....	\$227, 301	\$292, 596	28. 7
Wearing apparel and luggage.....	70, 238	87, 369	24. 4
Toilet articles and medicine.....	51, 976	36, 785	—29. 2
Textiles and raw wool.....	97, 505	44, 300	—54. 6
Furs—skins and manufactured.....	33, 851	21, 678	—36. 0
Edibles and farm produce.....	56, 730	33, 077	—41. 7
House furnishings, including rugs.....	27, 568	25, 266	—8. 2
Guns and ammunition.....	6, 851	82, 335	1101. 8
Hardware.....	28, 836	16, 300	—43. 5
Cameras and other sport goods.....	3, 288	8, 505	58. 7
Stationery supplies and books.....	8, 302	5, 004	—39. 7
Cigars, cigarettes, etc.....	11, 574	68, 483	491. 7
Machinery parts.....	31, 048	7, 688	—75. 2
Vehicle accessories.....	10, 712	12, 040	12. 4
Medical and scientific instruments.....	2, 239	4, 097	83. 0
Livestock (except horses).....	4, 945	3, 723	—24. 7
Fuel and oil.....	994	23, 768	2291. 1
Colors, dyes, etc.....	449, 998	8, 793	—98. 0
Chemicals.....	3, 912	42	—98. 9
Cargo of seized vessels.....	3, 984, 381	42, 243	—98. 9
Lumber.....	7, 341	9, 637	31. 3
Wax.....	2, 255	5, 744	154. 7
Prohibited articles.....	13, 261	7, 771	—41. 4
Miscellaneous.....	27, 918	24, 541	—12. 1
Total value.....	5, 163, 024	\$71, 815	—83. 1
Prohibited articles:			
Obscene, number.....	339	279	—17. 7
Lottery, number.....	129	49	—62. 0

\* Revised.

*Seizures for violations of the customs laws, fiscal years 1944 and 1945—Continued*

Seizure	1944	1945	Percentage increase or decrease (—)
Narcotics:			
Number.....	878	778	—11.4
Value.....	\$75,550	\$79,664	5.4
Liquors:			
Number.....	7,020	4,426	—37.0
Quantity (gallons).....	2,404,306	252,419	—89.5
Value.....	\$24,351,283	\$2,594,684	—89.3
Boats, automobiles, airplanes, and horses:			
Value.....	\$662,758	\$1,043,660	57.5
Grand total:			
Number.....	17,815	19,360	8.7
Value.....	\$30,252,615	\$4,589,823	—84.8

\* Revised.

In addition to the goods that were seized, claims aggregating \$8,017,639 were initiated by the Customs Service against importers in connection with various irregularities and frauds which did not necessitate a seizure or which were discovered after the goods had gone into consumption.

The following table presents a record of the customs seizures, classified according to the various agencies which were instrumental in apprehending violators of customs laws.

*Seizures and arrests for violations of customs laws, classified according to agencies participating, fiscal year 1945*

	Total		Narcotics <sup>1</sup>		Liquor		Lottery and obscene, number	Merchandise	
	Number <sup>1</sup>	Value	Number	Value	Number	Value		Number	Value
Customs Agency Service:									
Investigative Unit.....	631	\$443,146	14	\$9,540	94	\$1,659	1	522	\$228,385
Enforcement Unit.....	586	221,671	89	43,513	94	17,696	-----	403	59,110
Customs Service, exclusive of Agency Service.....	17,446	3,806,554	633	21,312	4,117	2,568,475	322	12,374	540,652
Total Customs Service.....	18,663	4,471,371	736	74,365	4,305	2,587,830	323	13,299	828,147
Immigration.....	61	6,146	17	419	26	1,454	-----	18	958
Customs Service assisted by other services.....	597	102,210	25	4,880	73	3,688	4	495	42,501
Other Federal and local officers.....	39	10,096	-----	-----	22	1,712	1	16	209
Grand total.....	19,360	4,589,823	778	79,664	4,426	2,594,684	328	13,828	871,815

	Total value boats, automobiles, airplanes, and horses	Boats		Automobiles		Airplanes		Horses	
		Number	Value	Number	Value	Number	Value	Number	Value
Customs Agency Service:									
Investigative Unit.....	\$203,562	7	\$181,298	27	\$22,264	-----	-----	-----	-----
Enforcement Unit.....	101,352	19	12,907	144	83,219	1	\$1,600	78	\$3,626
Customs Service, exclusive of Agency Service.....	676,115	23	545,285	208	129,172	2	949	7	709
Total Customs Service.....	981,029	49	739,490	379	234,655	3	2,549	85	4,335
Immigration.....	3,315	1	-----	5	3,250	-----	-----	1	65
Customs Service assisted by other services.....	51,141	3	48,236	6	2,800	-----	-----	1	105
Other Federal and local officers.....	8,175	1	75	11	8,025	-----	-----	3	75
Grand total.....	1,043,660	54	787,801	401	248,730	3	2,549	90	4,580

<sup>1</sup> Excludes number of boats, automobiles, and horses, as they were seized in connection with narcotics, etc., seizures.

<sup>2</sup> Other types of seizures of narcotics are described in the section under the Bureau of Narcotics.

The number of automobiles and trucks seized during 1945 was slightly less than during the preceding year due entirely to the fact that only 86 automobiles were seized for liquor or narcotic violations as compared with 160 automobiles and trucks seized for such violations in 1944. The 1945 total includes nine automobiles valued at \$7,135 seized by Secret Service officers and delivered to the Customs Service for forfeiture as compared with one automobile valued at \$50 during the previous year.

The following table summarizes the number of boats, automobiles, etc., seized for customs violations during the past two years.

*Boats, automobiles, airplanes, and horses seized, fiscal years 1944 and 1945*

Seizure	For liquor violations		For narcotic violations		For other violations		Total	
	1944	1945	1944	1945	1944	1945	1944	1945
Boats:								
Number.....	7	5	-----	-----	45	49	52	54
Value.....	\$46,017	\$201,900	-----	-----	\$355,337	\$585,901	\$401,354	\$787,801
Automobiles:								
Number.....	104	40	56	46	267	315	427	401
Value.....	\$53,653	\$22,255	\$30,660	\$31,639	\$170,883	\$194,836	\$255,196	\$248,730
Airplanes:								
Number.....	-----	-----	-----	-----	2	3	2	3
Value.....	-----	-----	-----	-----	\$3,300	\$2,549	\$3,300	\$2,549
Horses:								
Number.....	-----	-----	-----	-----	71	52	71	52
Value.....	-----	-----	-----	-----	\$2,908	\$4,580	\$2,908	\$4,580
Total value.....	\$99,670	\$224,155	\$30,660	\$31,639	\$532,428	\$787,866	\$662,758	\$1,043,660

During the year, 272 seized automobiles and trucks were returned to petitioners or exported because the violations were not sufficiently flagrant to warrant forfeiture. Of the 129 automobiles and trucks forfeited, 60 were assigned either to the Customs Service or to some other governmental agency for official use and 69 were sold at public auction.

In the course of their regular duties, customs officers often apprehend violators of other than customs laws. During the year, 4,475 seizures were made for other departments and agencies, of which 2,296 were for the Department of Agriculture and 1,950 for the military services. There were 556 persons apprehended, of whom 532 were for the Immigration Service.

*Legal proceedings.*—As the result of narcotic seizures, 346 persons were presented for prosecution. Including cases pending from the previous year, those concluded resulted in 168 convictions and 47 acquittals. Prison sentences aggregating over 301 years and fines amounting to \$18,606 were imposed by the court on convicted offenders. In addition, penalties aggregating \$38,000 were assessed against the masters of 134 vessels on which narcotic drugs were found concealed; many of these cases have not been concluded, but, including cases initiated prior to July 1, 1944, \$21,396 was collected from the masters of vessels.

*Fines, penalties, etc.*—Collections from fines, penalties, forfeitures, liquidated damages, and sale of seizures aggregated \$913,455 in 1945,



an increase of \$110,518 over the previous year, and a larger aggregate than for any year since 1939. False invoicing, including undervaluation, continued to be the largest source of this type of collection, though it yielded smaller revenue in 1945 than during any year of the preceding decade. Penalties for undeclared articles in the baggage of passengers arriving from abroad were not only much larger than in the preceding year but exceeded any war year since 1940. Penalties for liquor and narcotic violations were smaller than in 1944 but larger than in the two preceding years. Liquidated damages resulting from irregularities in bonded importations yielded a greater amount of revenue than for any year since 1938, while penalties for unlading merchandise without customs supervision and against masters for failure to manifest were larger than for any previous year in customs history. The following table shows the amounts collected during the past two fiscal years, classed according to the type of violation.

*Collections for violations of the customs laws, fiscal years 1944 and 1945*

Violation	1944	1945	Percentage increase or decrease (—)
Fines, penalties, and forfeitures:			
Undeclared articles in baggage of passengers arriving from abroad	\$128,389.44	\$196,105.83	52.7
False invoicing, including undervaluation	273,665.39	234,427.76	—14.3
Liquor	45,087.42	31,020.68	—31.2
Smuggling (including conspiracy)	44,409.69	47,345.12	6.6
Failure of masters of vessels to make complete manifest of imported merchandise	* 26,201.61	55,466.97	111.7
Unlading foreign merchandise without customs supervision	23,068.84	57,794.76	150.5
Narcotic:			
By masters of vessels on which violations occurred	24,732.55	13,407.07	—45.8
By other offenders	13,624.86	16,263.95	19.4
Irregularities in mail importations	2,482.50	1,883.50	—24.1
Failure to report arrival in United States	8,051.60	17,393.95	116.0
Navigation	27,955.00	27,275.00	—2.4
Export Control Act	10,576.36	3,009.61	—71.5
Transportation of smuggled merchandise	12,213.25	19,429.68	59.1
Touring permit violations	961.62	1,754.35	82.4
False drawback claims	6,170.08	1,500.00	—75.7
Miscellaneous	21,734.97	16,917.86	—22.2
Total	669,325.18	740,996.09	10.7
Irregularities in bonded importations (liquidated damages)	100,641.34	135,768.34	34.9
Net proceeds from sale of goods seized and forfeited for all violations	32,970.69	36,688.47	11.3
Total	802,937.21	913,452.90	13.8

\* Revised.

*Investigative and patrol activities.*—Despite the continued shortage of experienced personnel, the investigative activities of the Customs Service were maintained at a generally higher level than in 1944. The most numerous of the investigations of violations of customs laws were those involving baggage violations, more than 40 percent of which took place in the El Paso Agency district as a result of the heavy tourist travel between Mexico and the United States. Investigations of fraudulent undervaluation and false or erroneous invoices and entry continued to increase.

Most of the types of investigations in matters not involving the violations of customs laws were also more numerous in 1945 than in

1944. Of the 607 investigations of market value, 418 were made outside the United States, in Canada, Mexico, Cuba, Haiti, or the Bahamas. One particularly difficult classification investigation in Mexico involved the manufacture of earthenware and even the securing of samples of the clay used, taken directly from the pits, some of which could be reached only on horseback or on foot.

Cases of cooperation with other agencies were considerably less numerous in 1945 than during either of the two previous years, as wartime restrictions were moderated. Included in such investigations in 1945 were 1,501 relating to export controls and 52 for Foreign Funds Control.

A summary of the activity of the investigative officers of the Customs Service during the past two years is presented in the following table.

*Investigative and patrol activities, fiscal years 1944 and 1945*

Activity	1944	1945	Percentage increase or decrease (—)
Investigations of violations of customs laws:			
Undervaluation.....	997	1,180	18.4
Marking violations.....	198	66	-66.7
Baggage violations.....	2,578	2,362	-8.4
Diamond and jewelry smuggling.....	732	805	10.0
Narcotic smuggling.....	1,001	1,045	4.4
Other smuggling.....	2,096	1,825	-12.9
Touring permits.....	239	315	31.8
Other investigations:			
Alleged erroneous customs procedure.....	150	297	98.0
Drawback.....	1,075	803	-25.3
Classification and market value.....	897	1,038	15.7
Applications for customhouse brokers' licenses.....	75	101	34.7
Applications for bonded truckmen's licenses.....	49	54	10.2
Petitions for relief from additional duty.....	828	745	-10.0
Personnel.....	762	842	10.5
Navigation violations.....	466	319	-31.5
Pilferage of merchandise.....	360	356	-1.1
Miscellaneous.....	2,157	3,408	58.0
Examinations of customhouse brokers' records.....	618	3,364	444.3
Cases of cooperation with other agencies.....	5,425	3,150	-41.9

*Miscellaneous*

*War activities.*—The special wartime activities of customs officers continued throughout the past fiscal year, but at a somewhat lessened tempo. These activities included the physical control of exports incident to the enforcement of the Export Control Act of 1940; the control of importations and exportations of currency and foreign exchange (foreign funds control); the interception and censorship of tangible communications carried into or out of the United States otherwise than in the regular course of the mails; the prevention of the departure of American citizens not in possession of valid passports; and many other duties not necessary in times of peace. Familiarity with the routine to be followed in such cases, developed during the previous war years, made the officer's task somewhat simpler and easier during 1945, but familiarity could not reduce the time required to make intensive searches of vessels, vehicles, cargoes, baggage, and persons entering and leaving the United States.

The Secretary of the Treasury, pursuant to the authority contained in the Second War Powers Act, 1942, as amended, issued a number of orders waiving compliance with certain provisions of the navigation laws. The majority of these orders were given a confidential status because of their close relation to the war effort and the special nature of their contents, but some, of more general applicability, have been published as Treasury decisions. Several earlier orders permitting certain foreign-flag vessels and vessels of the United States under limited or restricted registry to transport merchandise between Puerto Rico and the United States under certain conditions were rescinded.

The simplified procedure for the admeasurement of vessels of the so-called Liberty Ship class by the use of standardized figures for vessels of this class, all of which are nearly identical in design and arrangement, was continued during 1945 and was extended to certain other classes of vessels. A tolerance of three-tenths of one percent in the gross and net tonnages continued to be allowed in order that small and unimportant variations in the use of spaces on individual vessels might be disregarded in the interest of speed and economy in measurement.

Special procedures were continued for granting vessel clearances in the offices of the collectors of customs to guard against leakage of ship-movement information to any unauthorized persons.

*Publications.*—The increase in the number of vessels of the United States, by building or otherwise, is reported in the annual publication of the Bureau of Customs entitled Merchant Marine Statistics. A list of such vessels, describing each one in detail, was prepared and published in the annual Merchant Vessels of the United States. However, because of the nature of the information contained therein, the distribution of these publications has been carefully restricted.

*Changes in districts, ports, and stations.*—The Omaha customs district was abolished during the year and the port of Omaha was assigned to the Chicago customs district. The port of Dunkirk, N. Y., and the stations of Grand Isle, Maine, Port McNicoll, Ontario, and Bivalve, N. J., were abolished and the station of Port Harris, N. J., established during the fiscal year.

*Cost of administration.*—The total revenue collected by the Customs Service including collections for other departments and Puerto Rico collections other than duties, amounted to \$561,101,058 as compared with \$727,251,316 in 1944, a decrease of 22.8 percent. Internal revenue taxes on imported distilled liquors made up the largest proportion of the total internal revenue taxes collected, which amounted to \$201,-890,315 in 1945 as compared with \$292,019,928 in 1944. The expenses during the year were \$26,211,092, an increase of \$1,166,520 over 1944. The cost to collect \$100 was \$4.67 in 1945 and \$3.44 in 1944.

The following table summarizes the collections and expenditures during the fiscal year 1945.

*Summary of customs collections and expenditures, fiscal year 1945*

[On basis of accounts of the Bureau of Customs]

	Amount
<b>COLLECTIONS <sup>1</sup></b>	
Customs receipts:	
Duties on imports.....	\$354,741,316
Miscellaneous receipts (fines, penalties, etc.).....	3,397,441
Total.....	358,138,757
Collections for other departments, bureaus, etc.:	
Internal revenue taxes.....	\$201,890,315
Sale of publications.....	33,027
Reimbursement of court costs.....	119
Public Health Service.....	436,575
Department of Justice.....	506,735
Navy Department.....	86,231
War Department.....	6,115
Department of Interior.....	50
Federal Communications.....	3,134
Total collections.....	202,962,301
	561,101,058
<b>APPROPRIATIONS AND EXPENDITURES</b>	
Appropriation "Collecting the revenue from customs":	
Regular.....	25,500,000
First supplemental (approved December 22, 1944).....	850,000
	26,350,000
Expenditure—obligations incurred by:	
Collectors of customs.....	19,171,670
Appraisers of merchandise.....	2,687,269
Chief chemists.....	400,351
Comptrollers of customs.....	773,477
Agency service (investigation and patrol).....	2,370,334
Administrative.....	807,991
	26,211,092
Balance of appropriation.....	138,908
Appropriation "Refunds and drawbacks" (Indefinite, warrants issued).....	15,500,000
Expenditures for refunds, drawbacks, and minor payments of a similar nature.....	14,517,752
Balance of appropriation.....	982,248

<sup>1</sup> Excludes duties and sale of insular property for Puerto Rico, but includes other Puerto Rican collections.**BUREAU OF ENGRAVING AND PRINTING**

The Bureau of Engraving and Printing designs, engraves, and prints currency, securities, stamps, and various other official documents and forms. Deliveries of finished work during the fiscal year 1945 amounted to 844,034,218 sheets, a decrease of 75,884,605 sheets, or 8.25 percent less than the quantity dispatched during the previous fiscal year.

A comparative statement of deliveries of finished work in the fiscal years 1944 and 1945 follows.

Class	Sheets		Face value, 1945
	1944	1945	
Currency:			
United States notes.....	4,630,000	3,030,000	\$138,240,000
Silver certificates.....	64,645,000	76,970,000	923,640,000
Overprinted "Hawaii".....	1,920,000		
Federal Reserve notes.....	58,018,250	37,336,950	7,274,460,000
Overprinted "Hawaii".....	1,409,667	458,333	100,000,000
Specimens.....	1	1	
Overprinted "Hawaii".....		1	
Total.....	130,622,918	117,795,285	8,436,340,000



Class	Sheets		Face value, 1945
	1944	1945	
Bonds, notes, bills, certificates, etc.:			
Bonds:			
Panama Canal		450	\$4, 500, 000
Postal savings	1, 050	1, 600	1, 176, 000
Treasury	4, 466, 754	2, 765, 785	48, 906, 420, 800
United States savings	6, 280, 000	2, 610, 000	1, 770, 000, 000
United States war savings	376, 212, 000	290, 593, 750	14, 221, 060, 000
Adjusted service		37, 500	7, 500, 000
Depository	101, 000	1, 000	
Excess profits tax refund	54, 000	83, 000	
Consolidated Federal farm loan for the Federal land banks	350	101, 839	314, 927, 200
Farm loan	45		
Federal Farm Mortgage Corporation	4, 000		
Home Owners' Loan Corporation	1, 400	756	755, 000, 000
Insular—Puerto Rican	43	250	450, 000
Notes:			
Treasury	2, 123, 050	963, 100	32, 906, 000, 000
Commodity Credit Corporation		250, 000	
Treasury bills	171, 000	12, 500	50, 000, 000, 000
Certificates:			
Indebtedness	432, 300	473, 725	82, 705, 000, 000
Cuban silver	1, 097, 133		
Philippine Treasury	18, 000	18, 491, 600	294, 476, 000
Debentures:			
Consolidated collateral trust for the Federal intermediate credit banks	35, 000	37, 000	430, 000, 000
Consolidated for Federal home loan banks	7, 800	7, 050	128, 000, 000
National Housing Agency, Federal Housing Administration, war housing insurance fund	8, 000	7, 000	51, 800, 000
Interim transfer certificates for postal savings bonds	1, 000		
Specimens:			
Bonds	39	62	
Notes	3	3	
Certificates	2	55	
Debentures	1	4	
Total	391, 013, 970	316, 438, 029	232, 496, 310, 000
	Sheets		Number of stamps, etc., 1945
	1944	1945	
Stamps:			
Customs	331, 473	205, 750	5, 170, 000
Internal revenue	140, 994, 212	147, 509, 988	15, 749, 242, 490
Adhesive postal note		588, 016	58, 801, 600
District of Columbia beverage tax paid	160, 515	180, 000	36, 000, 000
Federal migratory-bird hunting	25, 046	27, 000	3, 024, 000
Philippine revenue		249, 527	20, 960, 268
Puerto Rican revenue	1, 261, 200	1, 193, 225	68, 816, 500
Specimens, internal revenue	168	94	1, 294
Postage:			
United States	195, 511, 971	216, 588, 776	20, 464, 481, 449
United States, surcharged "Canal Zone"	7, 350		
Canal Zone	50, 300	50, 300	2, 515, 000
Philippine		1, 075, 661	91, 876, 956
Specimens, United States	85	73	3, 909
Postal savings	94, 966	26, 242	656, 050
War savings	16, 695, 883	11, 230, 131	1, 200, 066, 425
Total	355, 133, 169	378, 924, 788	37, 701, 615, 941
Miscellaneous:			
Checks	33, 846, 497	20, 613, 590	103, 019, 950
Warrants	53, 806	39, 000	195, 000
Commissions	431, 883	52, 133	41, 286
Certificates	5, 769, 534	5, 742, 766	23, 902, 724
Drafts	5, 284	42, 016	84, 031
Transportation requests	2, 844, 405	2, 810, 840	14, 054, 200
Other miscellaneous	197, 278	1, 575, 728	2, 946, 791
Specimens	15	43	230
Blank paper, including experimental	64		
Total	43, 148, 766	39, 876, 116	144, 244, 212
Grand total	919, 918, 823	844, 034, 218	

Dies were engraved for new issues of postage stamps as follows:

Issue	Denom- ination (cents)
Commemorating the Philippines, Series 1944.....	3
Fiftieth Anniversary of Motion Pictures, Series 1944.....	3
Florida Centennial 1845-1945, Series 1945.....	3
Roosevelt Memorial, Series 1945.....	3
Iwo Jima Commemorative, Series 1945.....	3
United Nations Conference on International Organization, Series 1945.....	5
Special Delivery, Series 1944.....	13
Special Delivery, Series 1944.....	17

A contract was entered into with the American Bank Note Co., New York, N. Y., for the manufacture of an additional stamp of the "Overrun Countries" series, honoring Korea. A total of 15,000,000 stamps of this issue was delivered.

New dies and plates were prepared for various classes of bonds, notes, revenue stamps, and other printed work. The production of United States savings and war savings bonds was increased from 1,333,060 bonds per day at the beginning of the year to 1,682,000 per day in March 1945. Total deliveries for the year of Series E, F, and G amounted to 293,203,750 bonds, with a face value of \$15,991,060,000, a reduction of \$9,288,250 bonds in comparison with the quantity delivered during the previous fiscal year.

The production of allied military lira and mark currencies for the War Department was continued under contractual arrangements with the Forbes Lithograph Manufacturing Co. of Boston, Mass. The lira currency stock was shipped to the Bureau for overprinting the denomination, series, name of country, and serial numbers, and for packing; the mark currency was numbered and packed by the Bureau. The Forbes Co. likewise continued the production of Committee French franc currency for the Provisional Government of the French Republic. The latter class of work was processed in its entirety at that plant with the exception of 100,000,000 notes which were transferred to the Bureau in sheet form for numbering and packing.

Orders were received for two new types of invasion currency, military yen notes and allied military schilling notes. In addition, there were three new classes of stamps, namely, allied military German postage, supplemental Austrian postage, and Committee French postage stamps. The design and original engravings for these notes and stamps were prepared by the Bureau with the exception of three denominations of the schilling currency which were furnished by the British Government. All of the stamp issues were printed by the Bureau.

The yen currency comprised two types or designations, identified as Area A and Area B. Orders for both classifications were printed for the Navy Department and a quantity of Area B notes was also produced for the War Department. In order to expedite the production of yen currency, contracts were negotiated with the Stecher-Traung Lithograph Corp. of San Francisco, Calif., to do the preliminary printing, and with the Bureau of Printing of the State of California, at Sacramento, to number, separate, and pack the notes for shipment. Representatives of the Bureau were stationed at both plants to observe the progress of the work and to maintain appropriate accounting

controls with respect to the stock in process. Protection facilities were furnished at these plants by the United States Coast Guard.

The schilling currency was printed on order of the War Department and comprised four denominations, three of which were processed at the Forbes plant and one denomination was produced at the Bureau.

A special issue of currency designated as Philippine Treasury Certificates, Victory Series No. 66, was produced for the Philippine Commonwealth Government and delivered to the War Department.

In April an order was received from the Cuban Government for a new series of peso notes. The preparation of engraved plates was under way, but none had been sent to press by the close of the year.

The number of employees on the pay roll at the beginning of the fiscal year was 7,321. During the year, 1,308 employees were separated from the service and 694 were appointed, making a total of 6,707 on June 30, 1945.

Expenditures amounted to \$26,012,386.48, a decrease of \$1,152,-188.68, or 4.24 percent, in comparison with the amount expended during the previous fiscal year. The following statement shows the appropriations, reimbursements, and expenditures for the fiscal years 1944 and 1945.

	1944	1945	Increase or decrease (—)
Appropriations:			
Salaries and expenses.....	\$9,852,000.00	\$10,000,000.00	\$148,000.00
Printing and binding.....	5,500.00	5,500.00	-----
Reimbursements to appropriations from other bureaus for work completed:			
Salaries and expenses <sup>1</sup> .....	<sup>2</sup> 18,508,095.75	17,096,670.94	—1,411,424.81
Printing and binding.....	5,500.00	2,925.00	—2,575.00
Total.....	<sup>2</sup> 28,371,095.75	27,105,095.94	—1,265,999.81
Expenditures:			
Salaries and expenses <sup>3</sup> .....	<sup>2</sup> 27,155,565.81	26,004,416.34	—1,151,149.47
Printing and binding.....	9,009.35	7,970.14	—1,039.21
Total.....	<sup>2</sup> 27,164,575.16	26,012,386.48	—1,152,188.68
Unexpended balance.....	<sup>2</sup> 1,206,520.59	1,092,709.46	—113,811.13

<sup>1</sup> Additional amounts received from employees, \$74.50 in 1944 for lost locker keys, locks, and package booth checks and \$167.25 in 1945 for lost identification cards, locker keys, and badges; \$43.44 received in 1944 from the Standard Surety and Casualty Co. of New York for damages to Government property; and \$50 in 1944 and \$94.50 in 1945 received from various firms for empty drums returned by the Bureau of Engraving and Printing, were deposited to the credit of the Treasurer of the United States as miscellaneous receipts; and amounts received from reimbursements for jury service by employees—\$116 for 1944 and \$73 for 1945—were deposited in the general fund receipt account.

<sup>2</sup> The amounts in 1944 for reimbursements, expenditures, and unexpended balance were revised to include a refund, in December 1944, by the Forbes Lithograph Manufacturing Co., in the amount of \$717,929.07, on account of reduction in rates, due to the difference between estimated and actual cost of printing allied military currency in 1944, under contract with this bureau, for the Provisional Government of the French Republic and the War Department, and other adjustments in the reimbursements amounting to \$3,748.22.

<sup>3</sup> Includes for 1944 and 1945 \$11,300 transferred to the Bureau of Standards for research work and \$100,000 transferred to salaries and expenses, guard force, Treasury Department, for protective services rendered. The amounts of \$706,483.75 and \$660,989.12 were deducted from the salaries of employees for the retirement and disability fund; and the amounts of \$1,620,244.75 and \$1,475,689.25 were deducted through the pay-roll allotment plan for the purchase of war savings bonds in 1944 and 1945, respectively. The amounts of \$2,082,210.48 (including \$434.40 for adjustments made in 1944 for Victory tax withheld in the period prior to July 1, 1943) and \$1,850,097.73 withheld in 1944 and 1945, respectively, were deposited with the Collector of Internal Revenue, Baltimore, Md.

### FOREIGN FUNDS CONTROL

Under section 5 (b) of the Trading with the Enemy Act, as amended, and Executive Orders Nos. 8389, as amended, and 9193, the Treasury Department, through Foreign Funds Control, formulates and administers controls over foreign-owned property and regulates foreign

exchange and international financial transactions. In addition it administers the wartime restrictions on trade with the enemy under section 3 (a) of the act. Over 101,000 applications for licenses to effect transactions prohibited by the above act and Executive orders were reviewed during the fiscal year 1945 by Foreign Funds Control and the Federal Reserve Banks acting as field agents. Of these, approximately 15 percent were denied. A further discussion of Foreign Funds Control activities during the year will be found on page 106 of this report.

### BUREAU OF INTERNAL REVENUE \*

The Bureau of Internal Revenue is responsible for the assessment and collection of all internal revenue taxes and other miscellaneous taxes and for the enforcement of the internal revenue laws.

#### *General*

*Internal revenue collections.*—During the fiscal year 1945 internal revenue collections, including trust fund collections, totaled \$43,800 million, an increase of \$3,679 million over collections for 1944. The total amount collected included back income taxes of \$970 million, which is approximately \$265 million more than back income tax collections for 1944.

Miscellaneous internal revenue collections amounted to \$6,960 million, which is an increase of \$1,604 million over collections for 1944. The largest increases were as follows: Estate tax, \$123 million; liquor taxes, \$691 million; manufacturers' excise taxes, \$279 million; and retailers' excise taxes, \$199 million. Other miscellaneous internal revenue tax collections increased \$312 million.

Employment tax collections totaled \$1,779 million, an increase of \$41 million over the preceding year. Total collections under the Federal Insurance Contributions Act were \$1,308 million; collections under the Federal Unemployment Tax Act, \$186 million; and collections of carriers taxes, \$285 million.

Total collections of internal revenue during the fiscal years 1944 and 1945 are shown in the following summary, classified according to the administrative organization responsible for the tax. A detailed statement of collections appears in table 7, page 481 of this report.

#### *Summary of internal revenue collections, fiscal years 1944 and 1945*

[On basis of reports of collections, see p. 438]

Administrative unit	1944	1945	Increase
Income Tax Unit <sup>1</sup> .....	\$33,027,801,888.19	\$35,061,526,200.36	\$2,033,724,312.17
Alcohol Tax Unit.....	1,618,775,155.93	2,309,865,790.07	691,090,634.14
Miscellaneous Tax Unit.....	3,736,810,752.76	4,649,818,172.99	913,007,420.23
Accounts and Collections Unit (employment tax activities).....	1,738,372,435.89	1,779,177,412.48	40,804,976.59
Total collections.....	40,121,760,232.77	43,800,387,575.90	3,678,627,343.13

<sup>1</sup> Includes collections from the tax on unjust enrichment and amounts withheld by employers.

\* More detailed information concerning the activities of the Bureau of Internal Revenue will be found in the annual report of the Commissioner of Internal Revenue.



*Refunds, drawbacks, and stamp redemptions.*—During the year refunds of tax collections, together with interest, were made from the following appropriations:

Refunding internal revenue collections, 1945 and prior years.....	<i>Amount</i> \$903,565,210.08
Refunds and payments of processing and related taxes, 1939-45.....	670,024.92
Total, interest included.....	904,235,235.00

The following is a summary of the refunds, showing the number of schedules and claims, the amounts of refunds and repayments allowed, and the total amount refunded, including interest, on each class of tax during the fiscal year 1945, with comparison of the totals for 1944.

*Number of schedules and claims, amount of refunds and repayments, and total refunds, repayments, and interest, by class of tax, fiscal year 1945 and totals for 1944*

Class of tax	Number of schedules	Number of claims	Amount of refunds and repayments	Total refunds, repayments, and interest
Bituminous coal.....	8	16	\$1,599.45	\$1,642.16
Capital stock.....	45	968	740,323.96	794,445.53
Carriers taxes.....	25	58	208,247.38	245,227.94
Distilled spirits.....	601	17,604	33,403,587.37	33,472,644.69
Distilled spirits stamps redeemed.....	82	2,319	415,806.40	417,032.73
Distilled spirits drawbacks.....	426	1,202	1,357,201.09	1,357,201.09
Estate.....	1,093	1,568	4,233,328.34	5,031,652.72
Gift.....	265	318	1,711,448.85	1,736,775.84
Income.....	214,854	19,279,118	812,220,100.83	846,816,824.74
Miscellaneous.....	151	4,020	931,255.46	1,072,195.90
Miscellaneous stamps redeemed.....	160	7,510	604,648.12	729,155.64
Narcotics.....	30	124	809.50	814.04
Narcotic stamps redeemed.....	37	82	1,545.22	1,545.22
Sales.....	59	1,212	1,235,774.30	1,495,903.25
Federal Insurance Contributions Act.....	2,851	120,635	2,954,095.99	3,067,634.62
Federal Unemployment Tax Act.....	2,645	20,252	4,202,585.21	4,353,799.67
Sugar.....	16	335	276,353.92	276,464.37
Tobacco.....	23	232	10,812.07	11,149.17
Tobacco stamps redeemed.....	11	1,547	2,423,100.76	2,423,100.76
Tobacco drawbacks.....	2	6	350,000.00	350,000.00
Total income and miscellaneous internal revenue.....	223,384	19,459,126	867,282,624.22	903,565,210.08
Agricultural adjustment.....	27	30	460,335.68	670,024.92
Grand total, fiscal year 1945.....	223,411	19,459,156	867,742,959.90	1 904,235,235.00
Fiscal year 1944:				
Income and miscellaneous internal revenue.....	33,495	2,118,604	141,305,010.35	150,822,691.71
Agricultural adjustment.....	37	44	333,734.77	428,220.92
Grand total, fiscal year 1944.....	33,532	2,118,648	141,638,745.12	1 151,250,912.63

NOTE.—The figures in this table will not agree with those given in later sections of this report for the reason that the amounts shown in the later sections relate to claims disposed of by the units, whereas this table shows actual payments made.

<sup>1</sup> Excluding refunds from trust funds set up for Philippine coconut oil, Philippine trust fund, and Puerto Rico trust fund. The amounts refunded from these accounts were for 1944, \$36,731.79 (coconut oil), \$37.76 (Philippine), and \$35,282.24 (Puerto Rico); and for 1945, \$11,660.42 (coconut oil) and \$12,577.02 (Puerto Rico).

If the tax refunds made during the fiscal year 1945 on account of erroneous or illegal collections of internal revenue and agricultural adjustment taxes and payments for export drawbacks, redemption of stamps, and refunds from trust funds, amounting to \$904,259,472, were deducted from the gross collections of \$43,800,387,576, the net collections for the fiscal year 1945 would be \$42,896,128,104. The gross collections, however, are used for comparative purposes in these reports.

*Additional assessments.*—The additional assessments resulting from office audits and field investigations made during the fiscal years 1944 and 1945 were as follows:

*Additional assessments, fiscal years 1944 and 1945, by class of tax*

Class of tax	1944	1945
Income <sup>1</sup> .....	\$563, 237, 111. 00	\$748, 430, 130. 50
Miscellaneous internal revenue:		
Estate.....	94, 844, 631. 86	97, 901, 872. 75
Gift.....	7, 539, 976. 18	6, 914, 472. 59
Capital stock.....	710, 949. 41	349, 731. 95
Sales.....	3, 327, 701. 03	3, 509, 523. 20
Liquors.....	3, 020, 730. 09	3, 925, 960. 22
Miscellaneous.....	25, 850, 078. 20	34, 652, 258. 98
Miscellaneous excise.....	1, 585, 384. 80	2, 708, 586. 46
Tobacco.....	583, 817. 45	467, 574. 57
Coal.....	59, 574. 52	1, 284. 95
Silver.....		
Sugar.....	74. 82	290. 48
Total miscellaneous internal revenue.....	137, 522, 918. 36	150, 431, 556. 15
Employment taxes.....	30, 214, 028. 82	23, 565, 920. 59
Grand total.....	730, 974, 058. 18	922, 427, 607. 24

<sup>1</sup> Includes assessments of \$17,531,144 for 1944 and \$24,984,391 for 1945 made under the jeopardy provisions of sec. 279 of the Revenue Act of 1926 and sec. 273 of subsequent revenue acts.

*Cost of administration.*—The amount of \$146,900,000 was appropriated for the fiscal year 1945 for salaries and expenses in connection with the assessment and collection of internal revenue taxes and the administration of internal revenue laws. The Bureau transferred the sum of \$603,750 to the Post Office Department for expenses in connection with the sale of motor vehicle use stamps, and the expenditures and obligations against the Bureau appropriation were \$144,786,969, leaving an unexpended balance of \$1,509,281. The expenditures do not include amounts expended for refunding taxes illegally or erroneously collected and for redeeming stamps. The cost of collecting \$43,675,865,945 (excluding \$124,521,631 collected by post offices) during the year was \$0.33 per \$100, compared with \$0.32 per \$100 for 1944.

*Income Tax Unit*

*General functions.*—The Income Tax Unit is charged with the administration of the internal revenue laws with reference to taxes on income of individuals and fiduciaries and on both income and excess profits of corporations. The administration includes the preparation of regulations and interpretative and procedural rulings and instructions regarding such laws and the examination and adjustment of returns filed thereunder, through office audits and field investigations, for the purpose of determining the correct tax liability as required by law.

*Returns filed.*—The number of all types of income and excess profits tax returns and declarations filed during the fiscal year 1945 was 67,433,182, consisting of 52,007,315 taxable returns, 6,057,364 nontaxable returns,<sup>1</sup> and 9,368,503 declarations. This compares with a total of 79,451,490 returns and declarations filed in the preceding year, composed of 48,093,445 taxable returns, 4,003,283 nontaxable returns,<sup>1</sup> and 27,354,762 declarations. The total number of income

<sup>1</sup> Included in the figures for each fiscal year are returns forwarded to the Processing Division, which for 1945 are estimated to consist of 19,666,893 taxable (nonassessable) returns and 4,820,710 nontaxable returns, and for 1944 consisted of 16,018,445 taxable (nonassessable) returns and 2,751,811 nontaxable returns. Included for each fiscal year are also the delinquent returns filed during the respective year relating to prior years.

tax returns filed by individuals was 48,370,226, which represents an increase of 13.7 percent over the number received in the preceding year.

*Examination of income and excess profits tax returns upon receipt by the Washington office.*—Of the 58,064,679 income and excess profits tax returns filed during the fiscal year 1945, 2,313,898 returns having the largest tax liabilities were forwarded to the Washington office of the Income Tax Unit. Upon initial review of the returns forwarded to Washington (including those on hand in Washington on July 1, 1944, relating to previous taxable years), 1,182,081 were closed and 490,273 were found to require further consideration and investigation by the field offices of the Income Tax Unit.

*Investigation of tax returns by the field offices.*—The number of income and excess profits tax returns investigated during the year was 406,956 as compared with 466,900 for the previous year. These figures include all returns for which the examiners' reports have been submitted, whether or not the cases have been finally released by reviewing officers.

Estate and gift tax returns investigated by field offices during the year numbered 16,253 as compared with 17,338 for the previous year.

In the course of the excess profits tax investigations conducted during the year, consideration was given to a substantial number of applications for excess profits tax relief, Form 991, filed by corporations claiming the benefits of section 722 of the Internal Revenue Code. As of July 1, 1944, there were on hand 26,304 of these applications involving tax reductions of \$2,491,670,902. During the year 1945 a total of 7,042 applications involving tax reduction claims of \$863,996,698 were received in the field offices for investigation. Action was completed during the year on 8,327 applications wherein the tax reduction sought amounted to \$386,443,734. There remained on hand as of June 30, 1945, a total of 25,019 applications involving tax reduction claims of \$2,969,223,866.

The total number of income and excess profits tax returns on which action was completed by the field offices during the year was 1,058,699, including returns which required investigation as well as returns for which investigations were deemed unnecessary. The total consisted of 474,120 corporation, individual, and taxable fiduciary income tax returns, 487,651 partnership and nontaxable fiduciary returns, and 96,928 excess profits tax returns.

Of the 474,120 income tax returns on which action was completed, deficiency adjustments were recommended in 143,734 returns. This compares with a total of 602,769 income tax returns for the preceding fiscal year with deficiency adjustments numbering 214,410. Deficiencies were recommended in 25,477 of the excess profits tax returns acted upon in 1945 as against 18,878 in 1944.

In addition, the field offices completed their work on 18,592 estate and gift tax returns during 1945, recommending deficiency adjustments for 10,856 of this number, which compares with 20,350 such returns involving 11,518 deficiency adjustments acted upon the preceding year.

Petitions to The Tax Court of the United States filed during 1945 involved 4,843 income and excess profits tax returns with proposed



tax deficiencies of \$89,033,390, as compared with 5,127 returns and tax deficiencies of \$72,599,451 for 1944.

*Revenue results of investigations of income and excess profits tax returns.*—The amount of additional tax, interest, and penalty assessed by the Income Tax Unit during 1945 reached an unprecedented total of \$553,135,058, of which \$300,026,906 applied to income tax returns and \$253,108,152 to excess profits tax returns. Excluding jeopardy and duplicate items,<sup>2</sup> the amounts for these two classes of taxes were \$281,555,377 and \$239,948,310, respectively.

*Stage at which additional tax was assessed.*—The effectiveness of the settlement authority vested in field officers is evidenced by the high proportion of cases closed by agreements with taxpayers, without the issuance of formal deficiency notices which are otherwise required by law and from which taxpayers may appeal to The Tax Court of the United States. Of the total number of 196,611 income and excess profits tax returns on which regular additional assessments (including duplicate-regular) were made, 185,952 additional assessments, or 94.6 percent, were made by agreement with the taxpayers without the necessity of a statutory notice, as compared with 94.3 percent in 1944. Of the total regular additional tax assessed (including duplicate-regular) aggregating \$460,229,432, the amount assessed by agreement was \$409,797,637, or 89.0 percent as compared with 87.4 percent for last year.

*Refunds, abatements, and credits.*—The Income Tax Unit audited and closed during the year 121,764 income and excess profits tax cases which involved refunds or credits of tax or interest to taxpayers or abatement of tax, as compared with 94,332 such cases closed during 1944. Of the total of 121,764 overassessments for 1945, 48,702 were made to taxpayers without the necessity of filing claims. This compares with 50,076 in the previous year. Of the overassessments settled in 1945 by the Income Tax Unit, 75,479 represented refunds or credits of tax or interest involving \$96,531,743 as compared with 79,714 involving \$73,188,705 in 1944.

There were also allowed 111,938 collectors' claims, of which 66,384 recommended abatements or credits and 45,554 recommended refunds. These claims were largely multiple-item claims, i. e., claims in behalf of a number of taxpayers, and involved 358,909 items for abatement or credit and 63,506 items for refund.

The amount involved in overassessments of all types for 1945 represented by refunds, credits, interest, and abatements for income and excess profits tax cases settled in the collectors' offices as well as by the Income Tax Unit was \$1,024,475,009 as compared with \$171,264,083 the previous year. The sharp increase in the total amount of overassessments for 1945 was due principally to the increase in refunds made to individuals whose income tax prepayments exceeded their liability.

*Inventory of returns on hand in the field offices.*—The number of open income and excess profits tax returns on hand in the field offices as of June 30, 1945, was 611,410 as compared with 507,104 on the same date last year (excluding in each year returns tentatively accepted

<sup>2</sup> Jeopardy assessments include all immediate assessments made under provisions of sections 146, 273, and 274 of the Internal Revenue Code. Duplicate assessments occur in cases involving transferred assets, where the liability of the transferor is assessed against both transferor and transferee in accordance with section 311 of the Code.



without investigation). The net increase between the two dates was 104,306, or 20.6 percent. Returns for 1942 and prior tax years on hand as of June 30, 1945, numbered 195,470, as compared with 182,543 returns for 1941 and prior tax years on hand a year ago. Thus the prior-year returns constituted 32 percent of the total number on hand at the close of the fiscal year 1945, as compared with 36 percent for 1944.

*Pension trust work.*—Approximately 8,500 applications for approval of stock bonus, pension, profit-sharing, and annuity plans under section 165 (a) of the Internal Revenue Code, as amended, were processed through June 30, 1945. These plans involved an estimated \$1,000,000,000 of contributions by employers, during the year for which information was submitted with the applications, to provide benefits for participating employees and their beneficiaries. Additional contributions for subsequent years are expected to run into hundreds of millions of dollars.

All applications on plans in effect prior to January 1, 1945, which had to qualify by June 30, 1945, in order to obtain the retroactive advantages provided for by section 162 of the Revenue Act of 1942, as amended, were ruled upon prior to June 30, 1945.

### *Miscellaneous Tax Unit*

The Miscellaneous Tax Unit is concerned with the administration of all internal revenue taxes except the income and excess profits taxes, the taxes applicable to alcoholic beverages, and those relating to employment.

The collections of miscellaneous taxes for the fiscal year 1945 amounted to \$4,649,818,173, an increase of \$913,007,420 as compared with collections from these sources for the preceding year.

*Estate and gift taxes.*—Collections of estate tax for the year amounted to \$596,137,494, an increase of \$122,671,889 over collections for the preceding year, and collections of gift tax amounted to \$46,917,583, an increase of \$9,172,851. There were 17,927 estate tax returns and 22,939 gift tax returns received during the year.

Assessment and collection of additional taxes amounting to \$49,454,662, proposed in 423 estate tax and gift tax cases, were postponed pending the adjudication of appeals filed with The Tax Court of the United States.

As a result of Bureau and field investigations and audits, deficiencies were assessed which amounted to \$87,371,643 in estate tax and \$5,943,785 in gift tax cases.

*Tobacco taxes.*—The collections of tobacco taxes amounted to \$932,144,822, as compared with collections of \$988,483,237 during the preceding year. The receipts from the tax on small cigarettes comprise the major portion of the tobacco taxes and during the fiscal year 1945 amounted to \$836,057,645.

A detailed comparison of the tobacco taxes collected during the fiscal years 1944 and 1945 is shown in table 7, page 481, of this report.

*Manufacturers' and retail dealers' excise taxes.*—Collections of manufacturers' excise taxes and retail dealers' excise taxes amounted to \$1,206,615,564, an increase of \$477,921,129 as compared with collec-

tions for the preceding year. Details of these collections during the fiscal years 1944 and 1945 are shown in table 7, page 481.

*Capital stock tax.*—The collections of capital stock tax during the year 1945 amounted to \$371,999,131, as compared with \$380,702,006 for the preceding year.

Domestic and foreign corporations filed a total of 479,699 returns. As a result of the review and audit of capital stock tax returns, 6,715 assessments were made, involving tax, penalty, and interest in the amount of \$349,732.

*Stamp and miscellaneous taxes.*—Miscellaneous taxes include the taxes on admissions, dues, telephone, telegraph, and cable facilities, safe deposit boxes, transportation of persons, transportation of property, the use of motor vehicles and boats, the processing of coconut and other vegetable oils, manufactured sugar, bituminous coal, silver, hydraulic mining, and the transportation of oil by pipe line; the special taxes on the maintenance of coin-operated amusement and gaming devices for use, and on the operation of bowling alleys and billiard and pool tables; the taxes on oleomargarine, etc., narcotics, and marihuana; the taxes under the National Firearms Act and the Federal Firearms Act.

The collections of stamp and miscellaneous taxes amounted to \$1,496,003,579 in 1945, an increase of \$368,282,840 over the previous year. Details of these collections for 1944 and 1945 are shown in table 7, page 481.

#### *Alcohol Tax Unit*

The Alcohol Tax Unit is charged with the administration of the laws relating to the production, warehousing, tax payment, rectification, packaging, and distribution of distilled spirits, wines, and fermented malt liquors; the production, warehousing, tax payment, denaturation, and distribution of industrial alcohol; the determination, assertion, and assessment of taxes and penalties on such liquors; the investigation of returns covering occupational and commodity taxes; the regulation of the manufacture and use of liquor bottles; the chemical analysis of liquors and other products to determine their taxable status and proper labeling; the administration of the provisions of the Federal Alcohol Administration Act relating to the regulation of interstate and foreign commerce in distilled spirits, wines, and fermented malt liquors, and the labeling and advertising thereof; and with the investigation, detection, and prevention of wilful and fraudulent violations of the internal revenue laws relating thereto.

The functions of the Unit are classified as permissive, basic permit and trade practice, and enforcement. In addition to the headquarters office, there are 15 field districts. The supervisors of such districts administer, within their respective districts, internal revenue laws and regulations relating to alcoholic liquors and denatured alcohol and the Federal Alcohol Administration Act.

*Plants and permittees.*—As of June 30, 1945, there were 2,517 registered and fruit distilleries, internal revenue bonded warehouses, industrial alcohol plants and warehouses, denaturing plants, rectifying plants, tax-paid bottling houses, wineries, and breweries authorized to operate, as compared with 2,482 on June 30, 1944. This represents an increase of 35 establishments. There were 383,712 wholesale and

retail dealers on June 30, 1945, as compared with 356,641 the previous year, an increase of 27,071 dealers.

*Collections.*—In the fiscal year 1945 for the first time over 2 billion dollars were collected in Federal liquor taxes on domestic and imported liquors, representing receipts from excise, rectification, floor stocks, special or occupational taxes, and bottler or container stamps. The total collections of \$2,309,865,790 for 1945, compared with \$1,618,775,156 in 1944, represent an increase of \$691,090,634, or 42.7 percent. This increase reflects the first full year of the increased rates established on April 1, 1944, coupled with increases in tax-paid withdrawals of distilled spirits, fermented malt liquors, and wines.

*Production of distilled spirits.*—The production of distilled spirits (including alcohol) for beverage purposes was authorized for the months of August 1944 and January 1945. This was the first beverage production (except brandy and rum) since October 8, 1942. The total beverage production of whisky, gin, and high-proof spirits by registered distilleries during these 2 months amounted to 98,720,932 proof gallons, or 56.3 percent of the total production during the entire fiscal year 1941, which was the highest production year since 1937. Alcohol for beverage purposes produced during the 2 months totaled 16,252,604 proof gallons. The total beverage production during the "holiday" months, exclusive of brandy and rum, amounted to 114,973,536 proof gallons.

During the year there were also produced for beverage purposes 26,595,950 proof gallons of brandy and 1,142,904 proof gallons of rum. The total production of all kinds of distilled spirits for beverage purposes amounted to 142,712,390 proof gallons.

*Tax-paid withdrawals of distilled spirits.*—Total tax-paid withdrawals of all distilled spirits amounted to 142,330,770 tax gallons, which is comparable with the 1942 total of 144,207,510 tax gallons, the peak year since repeal of the eighteenth amendment and the last complete fiscal year during which beverage production was authorized.

*Consumption of distilled spirits.*—The distilled spirits bottled during the year amounted to 169,742,999 wine gallons. This is the highest consumption figure of record. The total rectified products bottled amounted to 138,350,894 wine gallons, representing an increase of 71.5 percent over the quantity bottled during the previous year. The rectified whisky bottled during the year contained only 40.2 percent of whisky and 59.8 percent of high-proof spirits and alcohol, as compared with 55.5 percent of whisky and 44.5 percent of high-proof spirits and alcohol in 1944.

*Stocks of distilled spirits.*—The total stocks of whisky, brandy, rum, and gin on hand as of June 30, 1945, amounted to 321,956,504 original tax gallons, as compared with 361,559,629 original tax gallons at the close of 1944, or a reduction of 11.0 percent. The stocks of whisky decreased from 348,646,381 original tax gallons as of June 30, 1944, to 307,587,545 original tax gallons as of June 30, 1945, or 11.8 percent.

*Fermented malt liquors.*—Production of fermented malt liquors reached 86,604,080 barrels, the highest production on record and 6.0 percent above the preceding year. Tax-paid withdrawals of 79,590,598 barrels were 3.4 percent above the previous year. Fermented malt liquors withdrawn by pipe line for bottling represented 63.3 percent of the total tax-paid withdrawals, as compared with 61.4 percent in



the preceding year, and tax-free withdrawals for export reached 3,712,574 barrels, or 2.8 times as much as in 1944.

*Wines.*—Production of still wine (total removals from fermenters) amounted to 314,983,155 wine gallons, the highest production since repeal of the eighteenth amendment and 18.6 percent above 1944. Tax-paid withdrawals of still wine amounted to 88,791,749 wine gallons, or 4.9 percent more than in the preceding year. Tax-paid withdrawals of domestic sparkling wines amounted to 25,269,307 half-pint units, a decrease of 6.3 percent, and tax-paid withdrawals of vermouth produced at wineries amounted to 2,960,707 wine gallons, an increase of 14.5 percent over 1944.

*Production of industrial alcohol and spirits.*—The total ethyl alcohol production for the year amounted to 683,431,544 proof gallons. In addition, there were produced at registered distilleries for industrial purposes 237,588,505 proof gallons of spirits and 169,646,331 proof gallons of unfinished spirits for redistillation. The net production of industrial alcohol and spirits, determined by adding the production of ethyl alcohol, spirits, and unfinished spirits and deducting the quantity of unfinished spirits used in redistillation, amounted to 1,101,286,249 proof gallons for 1945. This compared with a net production of 987,957,702 proof gallons for 1944, 732,350,228 for 1943, and 517,500,002 for 1942.

*Tax-free withdrawals of industrial alcohol and spirits.*—The total tax-free withdrawals of ethyl alcohol and spirits during the year, consisting of withdrawals for denaturation, for use of the United States, for hospital, scientific, and educational use, and for export, amounted to 1,086,876,301 proof gallons, as compared with 1,101,390,651 proof gallons for 1944, 526,005,020 for 1943, and 426,067,143 for 1942.

The total quantity of alcohol and spirits used for denaturation during the year amounted to 971,446,910 proof gallons, as compared with 973,439,556 proof gallons for 1944, 408,303,779 for 1943, and 374,760,259 for 1942.

During the year there were removed for use of the United States 111,210,119 proof gallons of alcohol and 1,960,906 proof gallons of spirits, a total of 113,171,025 proof gallons. This compared with a total of alcohol and spirits of 125,610,664 proof gallons for 1944, 115,582,132 for 1943, and 48,214,258 for 1942.

There were withdrawn during the year for hospital, scientific, and educational use a total of 2,051,146 proof gallons of alcohol and spirits, as compared with 1,906,594 proof gallons for 1944, 1,761,842 for 1943, and 2,055,012 for 1942.

*Stocks of industrial alcohol and spirits.*—As of June 30, 1945, the stocks of ethyl alcohol, spirits, and unfinished spirits amounted to 159,855,267 proof gallons, as compared with 142,637,788 proof gallons for 1944, 249,759,515 for 1943, and 77,855,333 for 1942.

*Production of denatured alcohol.*—During the year there were produced 494,008,004 wine gallons of specially denatured alcohol and 33,087,533 wine gallons of completely denatured alcohol, a total of 527,095,537 wine gallons. This compared with a total of 524,113,586 wine gallons for 1944, 222,894,419 for 1943, and 206,555,830 for 1942.

The quantity of specially denatured alcohol used in the manufacture of synthetic rubber amounted to 315,940,167 wine gallons for 1945, which represents 64 percent of the total specially denatured alcohol produced during the year. The quantity used in the manufacture of



synthetic rubber for 1944 was 286,033,171 wine gallons and for 1943, 20,399,165 wine gallons.

*Offers in compromise under internal revenue laws.*—On July 1, 1944, there were on hand 270 offers in compromise aggregating \$11,231. During the year 6,663 offers in compromise aggregating \$949,090 were received; 6,091 offers aggregating \$857,582 were accepted; 413 offers aggregating \$54,201 were rejected; and 144 offers aggregating \$16,774 were returned to the district supervisors for further investigation. There were 285 offers, aggregating \$31,764, on hand at the end of the year.

*Offers in compromise under Federal Alcohol Administration Act.*—At the beginning of the fiscal year 1945 there were on hand 2 offers in compromise aggregating \$700. During the year, 135 offers in compromise aggregating \$50,735 were received; 125 offers aggregating \$40,850 were accepted; and 12 offers aggregating \$10,585 were rejected. There were no offers on hand at the end of the year.

*Laboratory activities.*—During the past year considerable time was devoted to developing methods for determining the amount of alcohol in solutions. In collaboration with the Association of Official Agricultural Chemists, National Bureau of Standards, and Bureau of Customs, the official method for determining alcohol was modernized and made more accurate. Also, with the assistance of the National Bureau of Standards, the laboratory prepared specifications for alcohol-hydrometers and measuring flasks which can be read with the accuracy required in rectifying and bottling plants.

The study of wines made by the laboratory practically eliminated unauthorized rectification and overamelioration of wines. The work is being continued in order to keep the data current and to improve old, or devise new, procedures for examining wine.

*Field inspections.*—A group of specially trained field examiners, operating directly from the Washington office, inspected the field offices for the purpose of improving efficiency in the determination and collection of liquor taxes. These officers, as a result of such inspections and suggestions made by supervisory and other field employees contacted, submitted various recommendations for the improvement of the service, many of which have been adopted.

Since a partial resumption of beverage production by the distilling industry was authorized by the war agencies and the production of alcohol for war purposes continued, the amount of supervision required of plants and permittees remained at a high level. During the year a total of 314,755 inspections were made by field offices.

*Permits.*—The regulations governing the issuance of basic permits under the Federal Alcohol Administration Act were amended, effective February 1, 1945, to require that branch offices, previously operated by wholesalers and importers under authority of basic permits issued to their principal places of business, obtain separate basic permits. This was done to give the Bureau discretionary power to take administrative action against the permit of the offending branch office rather than against the principal office and all of its branches in any case where it appeared that violations of the act were not widespread but confined to a particular branch.

*Labels.*—As an aid to more effective enforcement of the labeling provisions of the Federal Alcohol Administration Act and to forestall improper labeling, particularly with respect to rectified distilled

spirits and wines, all bottlers of rectified products were required to obtain new or amended certificates of label approval, which were restricted to the bottling of products made in accordance with the approved formulae indicated on the certificates of label approval. There were 3,708 certificates of label approval so amended. Numerous irregularities and a few rather serious infractions of the labeling regulations were disclosed when this procedure was adopted. Appropriate penalties were imposed in the more serious cases.

Owing to the steadily decreasing warehouse stocks of aged whiskies, some distillers, who formerly bottled and marketed straight whiskies almost exclusively, began producing and marketing blended whiskies containing from 49 percent to 80 percent of neutral spirits. These new products were bottled under former straight whisky brands so that the producers would be able to maintain their established brands before the public. In all such instances, however, the labels were required to be altered not only with respect to the mandatory reading matter but also in color or design, or both, so that consumers would be placed on notice that the composition of the products had been changed.

*Advertising.*—In the enforcement of the advertising regulations promulgated under the Federal Alcohol Administration Act, 98,610 advertisements appearing in 25,994 publications were reviewed, and appropriate regulatory action taken in 2,507 cases. Seven cases involving violations of the advertising provisions of the statute were closed upon acceptance of appropriate offers in compromise. Radio continuities numbering 23,950 and 2,801 pieces of point-of-sale advertising material were also reviewed.

*Trade practice.*—On the basis of administrative proceedings instituted during this and the preceding year, basic permits were revoked in 4 cases, suspended for periods ranging from 7 days to 4 months in 15 cases, and annulled in 2 cases. To a considerable extent, the violations involved sales of alcoholic beverages at prices in excess of ceilings established under the Emergency Price Control Act of 1942 and maximum price regulations thereunder, which have been construed to be Federal laws relating to liquor within the meaning of section 4 (d) of the Federal Alcohol Administration Act. Thus such violations are considered violations of the terms and conditions of the basic permits involved. The other cases related to violations of the Internal Revenue Code and of the labeling provisions of the Federal Alcohol Administration Act. The acceptance of offers in compromise in lieu of the institution of administrative proceedings was authorized in 77 cases which did not appear to involve violations of a flagrant nature.

*Interlocking directorates.*—Applications for the approval of interlocking directorates and officers under section 8 of the Federal Alcohol Administration Act are dealt with directly by the Unit's Washington office. During the year 54 applications were received and acted upon as compared with 111 during the previous year.

*Seizures.*—During the year 8,344 illicit stills were seized, compared with 6,801 for the prior year, an increase of 1,543 stills or 22.7 percent. The mash seized at such stills amounted to 2,944,955 gallons, compared with 2,427,649 gallons of mash seized in 1944, an increase of 517,306 gallons or 21.3 percent. There were 95,320 gallons of illicit liquors seized, compared with 78,840 gallons for the prior year, an

increase of 16,480 gallons or 20.9 percent. The number of automobiles and trucks seized during the year totaled 1,803, compared with 1,553 for 1944, an increase of 250 vehicles or 16.1 percent. Tax-paid liquors seized amounted to 67,220 gallons, compared with 135,791 gallons for the prior year, a decrease of 68,571 gallons or 50.5 percent. The appraised value of property seized (principally automobiles and trucks and tax-paid liquors) amounted to \$2,608,904, compared with \$2,819,851, the value of property seized for the prior year.

*Arrests and prosecutions.*—The number of persons arrested for liquor law violations totaled 11,104, compared with 11,525 for 1944. There were recommended for prosecution in Federal courts in Alcohol Tax Unit cases 11,900 persons, compared with 11,585 for the prior year, an increase of 315 persons or 2.7 percent. There were 8,630 persons indicted, compared with 7,462 for the previous year, an increase of 1,168 indictments or 15.7 percent. There were 7,264 persons convicted, compared with 6,023 convictions for 1944, an increase of 1,241 convictions or 20.6 percent.

*Transportation of liquor into dry territory.*—As a result of the enforcement of the Liquor Enforcement Act of 1936, relating to the introduction of tax-paid liquors into dry States, there were seized during the year 108 vehicles and 3,977 gallons of tax-paid liquors, valued at \$144,173. This compares with 69 vehicles and 1,688 gallons of tax-paid liquors, valued at \$69,289, seized during 1944. There were 153 persons arrested, 111 persons indicted, and 95 defendants convicted during the year, compared with 97 persons arrested, 76 persons indicted, and 76 defendants convicted the previous year.

*Floor stocks tax violations.*—There were 2,550 floor stocks tax cases perfected during the year which involved the seizure of 37,672 gallons of tax-paid liquors valued at \$521,500. Taxes and penalties amounting to \$986,388 were recommended for assessment in these cases. Offers in compromise in the amount of \$569,721 in lieu of criminal and/or civil liabilities were accepted by the Department of Justice.

*Federal Alcohol Administration Act violations.*—Offers in compromise totaling \$408,200 in lieu of criminal and civil liabilities were accepted by the Department of Justice from 60 breweries for subsidizing retail outlets in violation of the Federal Alcohol Administration Act.

*Violations resulting from shortage of distilled spirits.*—As a result of an order on the part of the War Production Board prohibiting the production of distilled spirits for beverage purposes on and after October 8, 1942, the self-imposed industry rationing system, and hoarding by dealers, an acute shortage of beverage spirits existed until the "distillers' holiday" in August 1944. This shortage resulted in large-scale violations of the internal revenue liquor laws and the Federal Alcohol Administration Act. In this connection, investigations of 834 taxpayers and permittees were undertaken during the year. These investigations related to the falsification of Record 52 by wholesalers and to violations of the terms and conditions of permits under the Federal Alcohol Administration Act, and more particularly to tracing "side money" transactions in their final analyses for income tax purposes. There were 233 cases submitted to United States attorneys, 351 persons were indicted, and 322 defendants convicted. There were seized 9,491 gallons of tax-paid liquors having an approximate value of \$138,009.



*Accounts and Collections Unit*

The Accounts and Collections Unit is the central administrative organization for the 64 internal revenue collection districts and makes the administrative audit of all expenditures for the Internal Revenue Service. The Unit also administers the employment taxes imposed under chapter 9 of the Internal Revenue Code, the taxes under subchapter A (Federal Insurance Contributions Act) being with respect to employment by others than carriers, subchapter B with respect to employment by carriers, and subchapter C (Federal Unemployment Tax Act) with respect to the tax on employers of eight or more.

There were 83,828,115 tax returns filed in collectors' offices during the fiscal year 1945, as compared with 96,015,513 <sup>1</sup> returns filed during the previous year. Of the total returns filed in 1945, 67,433,182 were income and excess profits tax returns and declarations, as compared with 79,451,490 <sup>1</sup> in the previous year.

During the fiscal year, 606,965 income tax, 234,562 miscellaneous tax, and 262,903 employment tax returns were investigated by field deputy collectors. At the close of business June 30, 1945, there were outstanding in the 64 collection districts 120,212 income tax returns.

A total of 16,068,947 overpayments disclosed on individual income tax returns for 1943 were scheduled for refund, and 710,616 overpayments were scheduled for credit against taxes for 1944.

Deputy collectors of internal revenue served 998,145 warrants for distraint, which resulted in the collection of \$166,488,468. An average of 9,193 deputy collectors made 4,009,421 revenue-producing investigations, including the serving of warrants for distraint, compared with 3,792,416 revenue-producing investigations made by an average of 9,057 deputy collectors in the preceding year. The total amount collected and reported for assessment by deputy collectors was \$376,051,570, compared with \$245,317,947 in the previous year. The average number of investigations made per deputy and the average amount of tax collected and reported for assessment were 432 and \$40,906, respectively, compared with 420 and \$27,086, respectively, in 1944. There were 527,506 warrants for distraint in custody in the collectors' field forces on June 30, 1945, as compared with 245,089 on hand June 30, 1944.

A total of 15,723,304,750 revenue stamps, valued at \$3,844,488,531, was issued to collectors of internal revenue and the Postmaster General during the year, compared with 16,257,204,444 stamps valued at \$3,303,693,383 issued during 1944. Revenue stamps returned by collectors of internal revenue and by the Postmaster General, and credited to their account, amounted to \$827,976,454. There were 116 applications allowed for restamping packages from which the original stamps had been lost, mutilated, or destroyed, compared with 109 applications in the preceding year.

The Disbursement Accounting Division administratively examined and recorded 1,548 monthly accounts, comprising 190,077 vouchers, of collectors of internal revenue, internal revenue agents in charge, technical staff divisions, and district supervisors, including the San Juan, P. R., branch of the district of Maryland. In addition, 4,763 travel expense vouchers of employees and 27,325 vouchers covering

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<sup>1</sup> Revised to include income tax returns on hand but not counted as of June 30, 1944.



passenger and freight transportation and miscellaneous expenses were audited and passed to the Chief Disbursing Officer, Treasury Department, or to the General Accounting Office for payment, making a total of 222,165 vouchers handled during the year.

*Taxes under the Federal Insurance Contributions Act.*—Collections of taxes imposed under the Federal Insurance Contributions Act amounted to \$1,307,931,218 for 1945, an increase of \$17,906,361 over 1944. These amounts include both the employees' tax and the employers' tax, each of which was imposed at the rate of 1 percent of taxable wages paid. Returns under the act are required on a quarterly basis, 8,365,375 being filed during the fiscal year 1945, as compared with 8,587,017 filed in the preceding year.

The following table sets forth information relative to claims disposed of under the Federal Insurance Contributions Act and/or title VIII of the Social Security Act.

*Claims under the Federal Insurance Contributions Act and/or title VIII of the Social Security Act received and disposed of, fiscal year 1945*

Claims	Under sec. 1401 (d) of the Federal Insurance Con- tributions Act	All other
	Number	
Pending July 1, 1944 .....	36,001	4,814
Received during year .....	100,726	13,991
Total to be disposed of .....	136,727	18,805
Allowed in full or in part .....	114,332	12,294
Rejected .....	1,046	2,598
Canceled .....	269	268
Total disposed of .....	115,647	15,160
Pending June 30, 1945 .....	21,080	3,645
Certificates of allowance issued when no claims were filed .....		1,014
	Amount	
Overassessments settled by—		
Abatement .....		\$1,251,820
Credit .....		30,468
Refund .....	\$2,069,271	870,211
Total .....	2,069,271	2,152,499
Interest .....		111,553
Grand total .....	2,069,271	2,264,052

Under the provisions of section 1401 (d) of the Federal Insurance Contributions Act and subject to the conditions therein specified, an employee performing services for more than one employer during a calendar year may obtain a refund of the amount of employee's tax deducted from his wages and paid to the collector which is in excess of the tax on the first \$3,000 of such wages.

The following table shows the status of the offers in compromise submitted in settlement of liabilities incurred under the Federal Insurance Contributions Act and/or title VIII of the Social Security Act.

*Offers in compromise under the Federal Insurance Contributions Act and/or title VIII of the Social Security Act received and disposed of, fiscal year 1945*

Offers in compromise	Number of offers	Amount offered	Liability involved
Pending July 1, 1944.....	564	\$127, 140	\$537, 265
Received during year.....	576	275, 730	468, 413
Total to be disposed of.....	1, 140	402, 870	1, 005, 678
Accepted.....	646	115, 415	516, 295
Rejected.....	179	65, 194	184, 151
Withdrawn.....	36	28, 262	49, 661
Terminated by default.....	11	16, 136	23, 808
Total disposed of.....	872	225, 007	773, 915
Pending June 30, 1945.....	268	177, 863	231, 763

*Tax under the Federal Unemployment Tax Act.*—The tax under the Federal Unemployment Tax Act is imposed on employers of eight or more. The rate is 3 percent on taxable wages paid during 1944 with respect to employment. Collections during 1945 amounted to \$186,488,617, an increase of \$3,152,051 over 1944. Returns are required on an annual basis, 395,651 being filed during 1945, as compared with 418,757 filed during the preceding year.

Data on the returns, claims, and offers in compromise in connection with the tax under the Federal Unemployment Tax Act are shown in the following tables.

*Number of Federal unemployment tax returns received and disposed of, fiscal year 1945*

Returns:	Number
Pending July 1, 1944.....	384, 162
Received during year.....	395, 651
Reopened during year.....	44, 092
Total to be disposed of.....	823, 905
Closed.....	443, 019
Pending June 30, 1945.....	380, 886

*Claims under the Federal Unemployment Tax Act and/or title IX of the Social Security Act received and disposed of, fiscal year 1945*

Claims:	Number
Pending July 1, 1944.....	8, 294
Received during year.....	24, 098
Total to be disposed of.....	32, 392
Allowed in full or in part.....	21, 359
Rejected.....	3, 778
Canceled.....	481
Total.....	25, 618
Pending June 30, 1945.....	6, 774
Certificates of overassessment and certificates of allowance issued when no claims were filed.....	6, 080
Overassessments settled by—	Amount
Abatement.....	\$5, 331, 640
Credit.....	97, 074
Refund.....	4, 170, 125
Total.....	9, 598, 839
Interest.....	146, 250
Grand total.....	9, 745, 089

*Offers in compromise under the Federal Unemployment Tax Act and/or title IX of the Social Security Act received and disposed of, fiscal year 1945*

Offers in compromise	Number of offers	Amount offered	Liability involved
Pending July 1, 1944.....	716	\$149,586	\$1,044,908
Received during year.....	641	286,323	572,835
Total to be disposed of.....	1,357	435,909	1,617,743
Accepted.....	699	121,229	532,826
Rejected.....	265	91,759	285,814
Withdrawn.....	38	61,050	92,110
Terminated by default.....	15	19,527	25,626
Total disposed of.....	1,017	293,565	936,376
Pending June 30, 1945.....	340	142,344	681,367

*Carriers taxes.*—Collections of carriers taxes under chapter 9, subchapter B, of the Internal Revenue Code aggregated \$284,757,578 for the fiscal year 1945, an increase of \$19,746,564 over 1944. The amount for 1945 includes \$284,717,624 of collections from the employers' tax and the employees' tax, both of which were imposed at the rate of  $3\frac{1}{4}$  percent of the taxable compensation, and \$39,954 of collections of the employee representatives' tax for 1945, which was imposed at the rate of  $6\frac{1}{2}$  percent of the taxable compensation. Returns are required on a quarterly basis, 30,462 being filed by employers, a decrease of 543 from the previous year, and 1,213 being filed by employee representatives, a decrease of 80.

The following table sets forth information relative to claims disposed of under chapter 9, subchapter B, Internal Revenue Code, and/or the Carriers Taxing Act of 1937.

*Claims under ch. 9, subch. B, Internal Revenue Code, and/or the Carriers Taxing Act of 1937 received and disposed of, fiscal year 1945*

Claims:	Number
Pending July 1, 1944.....	39
Received during year.....	312
Total to be disposed of.....	351
Allowed in full or in part.....	141
Rejected.....	89
Canceled.....	6
Total disposed of.....	236
Pending June 30, 1945.....	115
Certificates of allowance issued when no claims were filed.....	6
Overassessments settled by—	Amount
Abatement.....	\$290,037
Credit.....	3,278
Refund.....	208,247
Total.....	501,562
Interest.....	36,791
Grand total.....	538,353

*Technical Staff*

The Technical Staff is the appellate agency in the Bureau of Internal Revenue for the determination of income, profits, estate, and gift tax liability in disputed cases. The staff consists of an administrative office in Washington and 10 field divisions with 35 local offices. The heads of these divisions exclusively represent the Commissioner of

Internal Revenue within their territorial jurisdiction (a) in the determination of tax liability in contested cases not docketed before The Tax Court of the United States, and (b) in the stipulated settlement, with concurrence of division counsel, of cases docketed by The Tax Court. The staff handles certain compromise offers and applications for extensions of time for the payment of income taxes, and also reviews final closing agreements under section 3760 of the Internal Revenue Code.

A brief summary of the work of the staff field divisions is shown in the following table.

*Analysis of the work of all field divisions of the Technical Staff, fiscal year 1945*

Cases	Docketed cases	Nondocketed cases
On hand July 1, 1944	3,738	<sup>1</sup> 4,385
Received (transfers, etc., deducted) during year	3,181	6,087
Total to be disposed of	6,919	10,472
Closed by stipulation or agreement	1,769	3,277
Dismissals and defaults	160	711
Unagreed cases submitted to Tax Court	993	
Cases appealed to Tax Court		1,475
Unagreed action on overassessment and claims cases		291
Total disposed of	2,922	5,754
On hand June 30, 1945	3,997	<sup>1</sup> 4,718

<sup>1</sup> Includes 597 cases awaiting taxpayers' action on statutory notices directed or sustained on July 1, 1944, and 572 on June 30, 1945.

The nondocketed cases disposed of by agreement, by default, and by unagreed action on claims, involved proposed deficiencies in tax and penalties totaling \$50,956,331, and overassessments tentatively determined of \$4,897,896. The deficiencies and penalties agreed to amounted to \$19,515,005, and overassessments of \$3,665,083 were allowed. Defaults totaled \$5,291,312 in tax and penalties, with \$703,939 in overassessments. In addition, overassessments aggregating \$647,393 were allowed in unagreed claims cases.

The docketed cases closed by stipulation involved asserted deficiencies in tax and penalties aggregating \$91,651,406, and overassessments of \$1,090,921 for other years and in associated cases. The amount agreed to consisted of \$22,700,517 in tax and penalties and \$1,056,856 in overassessments.

The filing of timely applications for general relief under section 722 of the Internal Revenue Code, made applicable retroactively to taxable years beginning after December 31, 1939, is materially increasing the work load of all field divisions of the Technical Staff and seriously delaying the closing of corporate cases, especially the larger cases for such years. Being the appellate agency of the Bureau and not a body of original administrative jurisdiction, the Technical Staff necessarily experiences a delayed period in the receipt of contested cases. The staff is now, however, receiving the full impact of cases arising under wartime taxation. On July 1, 1945, there were on hand 1,645 nondocketed cases in which there were abnormality claims under section 722 involving \$126,816,294, and 344 docketed cases with refund claims for an amount of \$26,326,393, a total of 1,989 claims involving



an aggregate amount of \$153,142,687. Compared with the abnormality claims under section 722 of 1,537 pending before the staff at the end of March 1945 with a total amount of \$113,248,910, there had been an increase in such claims in the last quarter of 29.4 percent in number and 35.2 percent in value of claims.

The work of the staff on compromise, extension of time, and closing agreement cases is analyzed in the following table.

*Analysis of the work of the Technical Staff on compromise, extension of time, and final closing agreement cases, fiscal year 1945*

Cases	Compromise cases	Extension of time cases	Final closing agreement cases
On hand July 1, 1944.....	419	4	15
Received (net) during year.....	960	114	172
Total to be disposed of.....	1,379	118	187
Accepted, granted, or approved.....	386	81	144
Rejected.....	267	23	25
Withdrawn.....	130		
Transferred.....	32		
Total disposed of.....	815	104	169
On hand June 30, 1945.....	564	14	18

### *Office of the Chief Counsel*<sup>1</sup>

The activities of the Office of the Chief Counsel for the Bureau of Internal Revenue include the defense of all Federal tax cases appealed to The Tax Court of the United States; the review of refunds, credits, and abatements in excess of \$20,000; consideration of various administrative and internal revenue tax matters referred to that office by the Secretary and other officers of the Treasury Department, or by the Commissioner and other officers of the Bureau of Internal Revenue. They include also the preparation, at the request of the Department of Justice or of the United States attorneys, of data for use in the prosecution or defense of tax cases (civil and criminal) in suit, and compliance with requests for assistance in such cases; and the preparation, revision, and review of regulations, Treasury decisions, mimeographs, and rulings for the guidance of the officers and employees of the Bureau of Internal Revenue and others concerned. The Office is made up of the Chief Counsel's Committee, the Engineers and Auditors Section, and eight divisions, viz: Alcohol Tax, Appeals, Civil, Claims, Interpretative, Legislation and Regulations, Penal, and Review.

During the year 3,251 cases appealed to The Tax Court were closed. In 3,236 cases involving income, excess profits, unjust enrichment, estate, and gift taxes the appellants recovered \$55,429,845 on claims aggregating \$156,089,781; and in 15 cases involving processing taxes, the appellants recovered \$374,214 on claims aggregating \$2,926,811.

In cooperation with the Department of Justice, 802 civil cases in State and Federal courts were closed, in which the amount claimed was \$21,136,075; refunds aggregating \$3,211,296 and collections

<sup>1</sup> More detailed information concerning the functions and activities of the Office of the Chief Counsel will be found in the annual report of the Commissioner of Internal Revenue.

amounting to \$421,567 were made. There were also closed 827 cases involving liens, in which \$267,539 was collected.

The Government was represented in 286 corporate reorganization and arrangement proceedings in which Government claims amounting to \$4,779,618 were settled for \$3,105,735. In 2,275 bankruptcy and receivership cases disposed of, \$4,764,507 was collected on Government claims aggregating \$9,292,107.

In claims filed by collectors against the estates of deceased taxpayers and insolvent banks and in liquidation proceedings, including assignments for the benefit of creditors, 2,249 cases involving claims amounting to \$12,300,878 were settled and \$7,830,304 was collected.

The Office reviewed 1,107 cases involving proposed allowances for overpayment or overassessment of income, excess profits, estate, gift, and miscellaneous taxes, as well as deficiencies when coupled with tax reductions under review, where the amount of tax reduction in a particular case exceeds \$20,000. Payment of \$57,022,684 was recommended upon claims amounting to \$68,668,588. Included in these figures were income, excess profits, estate, and gift tax cases involving overpayments exceeding \$75,000, on which reports were prepared for the Joint Committee on Internal Revenue Taxation. Cases were reviewed involving claims for refund of amounts paid as processing and floor stocks taxes and unjust enrichment tax deficiencies aggregating \$9,202,189. Final review of 3,089 cases involving compromises and closing agreements was made.

Claims for reward for information relative to violations of the internal revenue laws were considered and payments of \$70,338 were recommended in 57 of the 231 cases disposed of.

In connection with the administration and enforcement of the internal revenue liquor laws and laws relating to firearms, 5,526 memoranda, 155 briefs, 8,146 opinions, 375 libels, and 42 indictments were prepared. With respect to alcohol and Federal Alcohol Administration Act permits, 51 denials of applications for permits, 94 notices of contemplated denials of applications, 89 citations for revocation and suspension, and 53 orders in suspension and revocation proceedings were prepared. There were reviewed 3,458 case reports, 391 claims of over \$5,000 each, 5,728 compromise cases, and 201 petitions for remission or mitigation of forfeitures. In addition, 148 hearings were participated in.

During the year 336 internal revenue tax cases involving criminal liability were closed. Much of this penal work was performed in close cooperation with the Department of Justice and included consideration of offers in compromise and the preparation of opinions construing the criminal and percentage penalty statutes and whether certain cases should be reopened because of fraud or malfeasance, or misrepresentation of a material fact.

Work involving interpretation of internal revenue laws was performed in 2,153 cases, including the preparation or review of memoranda, correspondence, briefs to be filed with The Tax Court in key cases, actions on decisions in special cases, and closing agreements covering proposed transactions. Material submitted for publication in the Internal Revenue Bulletin was edited.

The Office prepared or reviewed regulations issued under the internal revenue laws and tax conventions with foreign countries and reports on legislation introduced in Congress affecting the internal

revenue. Consideration was given to suggestions for amendments of, and additions to, the various internal revenue laws, and reports thereon were prepared. The Office participated in the preparation of income tax and other forms and in the drafting of internal revenue laws and tax conventions. During the year 448 matters of the above types were disposed of.

In 197 cases, technical engineering and auditing advice and assistance were furnished revenue officials and the Department of Justice, principally in the fields of valuation and depreciation. Legal advice and assistance were rendered to officials concerned with the salary stabilization regulations in 1,695 cases.

At the close of the year steps were being inaugurated to establish a supplemental legal staff in the field, to cooperate closely with the investigative staff and with the Department of Justice in connection with a concentrated and comprehensive drive against tax evaders.

### *Intelligence Unit*

The Intelligence Unit is principally concerned with the investigation of tax fraud cases in cooperation with internal revenue agents and deputy collectors. During the fiscal year, 1,253 investigations were made of alleged evasion of income and miscellaneous taxes, and of this number 303 cases, involving 615 individuals, were recommended for prosecution. On this charge there were convictions of 65 individuals and 5 acquittals. Investigation of these cases resulted in recommendation for assessment of additional taxes and penalties amounting to \$123,295,136.

In addition to collections by the Bureau of Internal Revenue of taxes, penalties, and interest, amounts are covered into the Treasury as a result of fines imposed in criminal cases. In some jurisdictions the courts have imposed an additional penalty by requiring the defendants to pay the costs of the investigations, that is, the salaries and expenses of the agents during investigations.

There were 2,699 investigations of applications of attorneys and agents to practice before the Treasury Department, and 34 investigations of charges against enrolled agents and attorneys, resulting in the disbarment of 4, the suspension of 1, and the rejection of applications of 6.

The investigations in 84 cases of charges against employees of the Bureau of Internal Revenue resulted in the separation from the service of 57 employees. Criminal proceedings were instituted against 19, and of the 15 brought to trial during the year all were convicted. There were also 45 cases of a miscellaneous character investigated, resulting in the prosecution of 5. Four were tried and all were convicted.

### *Salary Stabilization Unit*

The Salary Stabilization Unit, under the supervision of a deputy commissioner, was established under Treasury Decision 5176, dated October 29, 1942, to administer the provisions of the regulations prescribed by the Director of Economic Stabilization under the act of October 2, 1942 (Public Law 729), and Executive Order No. 9250, dated October 3, 1942. The regulations directed that, in general,

salaries were to be stabilized as of the levels existing on September 15, 1942. The regulations were adopted to meet the changes in policies and procedures under Executive Order No. 9328, and the statement of the Economic Stabilization Director, dated May 12, 1943. Applications for increases in compensation are acted upon in accordance with the provisions of Treasury Decision 5295, dated September 4, 1943. An act of Congress approved June 30, 1945 (Public Law 108), amending the act of October 2, 1942, stipulated that its provisions shall terminate on June 30, 1946.

The Commissioner of Internal Revenue from time to time has issued regulations, and also special rulings covering specific types of adjustments common to industry generally. These special rulings cover such subjects as overtime compensation, vacation pay, pension benefits, profit-sharing trusts, insurance, salary rate schedules, bonuses, commissions, and others.

Thirteen regional offices have been set up to process employers' applications for approval of increases in compensation. The head of each regional office is authorized to make rulings on these applications, and these rulings are subject to review by the deputy commissioner. The deputy commissioner's office also acts as an appeal agency to reconsider the rulings of the regional offices which have been protested by the employers.

In addition to acting upon applications for increases in compensation, the Salary Stabilization Unit, through its regional offices, also handles the enforcement of the stabilization program and determines whether or not employers have made salary adjustments in contravention of the act of October 2, 1942, and the regulations.

The types and number of cases received and processed during the fiscal year 1945 are shown in the following table.

Types	Requests on hand July 1, 1944	Requests received during year	Rulings issued during year	Requests on hand June 30, 1945
Regional offices				
Salary adjustments <sup>1</sup> .....	11, 433	280, 627	275, 088	16, 972
Bonus payments <sup>1</sup> .....	2, 067	75, 893	75, 784	2, 176
Salary rate schedules.....	229	3, 087	3, 172	144
Profit-sharing trusts.....	85	1, 616	1, 630	71
Insurance cases.....	22	271	277	16
Contravention cases.....	547	550	558	539
Appeal cases, all classes.....	3, 277	44, 189	40, 429	7, 037
Washington office				
Appeal cases, all classes.....	629	3, 134	3, 189	574

<sup>1</sup> Includes 2,277 cases listed as on hand June 30, 1944, in the annual report for 1944 under the heading "Salary and bonus combined" which have been classified in this report into either salary or bonus cases and shown under "Salary adjustments" or "Bonus payments."

Other discussion of the stabilization of salaries appears on page 108 of this report.

#### LEGAL DIVISION

The General Counsel is by statute the chief law officer of the Treasury Department, and is directly responsible to the Secretary for



the work of the Legal Division. The Legal Division is composed of the legal staff in the Office of the General Counsel and the legal staffs in the Bureau of Internal Revenue, Bureau of Customs, Bureau of Narcotics, Bureau of the Public Debt, Procurement Division, and the Bureau of the Comptroller of the Currency. The General Counsel, with the assistance of his legal staff, gives advice on legal problems to the Secretary, the Under Secretary, Assistant Secretaries, and the administrative officers of the Department; exercises general supervision over the work of the legal staffs in the foregoing bureaus; and serves as legal adviser to the branches of the Department not having legal staffs, such as Foreign Funds Control, the Division of Monetary Research, Bureau of Accounts, Bureau of Engraving and Printing, Bureau of the Mint, Secret Service Division, Office of the Treasurer, and War Finance Division.

The activities of the Legal Division embrace all legal questions arising in connection with the administration of the duties and functions of the various bureaus, divisions, and other branches of the Department. These activities also include consideration of legal problems relating to broad financial, economic, and social programs, problems with respect to international cooperation in the monetary and financial fields, and problems relating to war activities and the transition from war to peace. A more complete description of the scope of the activities of the Legal Division is to be found in the various administrative reports of bureaus and divisions of the Department contained elsewhere in this report.

In addition, the legal staff in the Office of the General Counsel handles legal matters relating to legislation, including the drafting of legislation and preparation of reports to committees of Congress and the Bureau of the Budget; appears before congressional committees; prepares and reviews Executive orders and proclamations; prepares formal and informal opinions and memoranda for the guidance of the administrative officers of the Department; performs the necessary pretrial work in litigation involving Treasury officials; makes recommendations to the Secretary in matters relating to compromise settlement of general claims of the United States; supervises legal matters relative to inventions and patent rights of Treasury employees, negligence claims, and disclosure of official information; serves as legal adviser in proceedings involving complaints against enrollees licensed to practice before the Treasury Department; handles legal problems pertaining to gold and silver transactions and the administration of the stabilization fund; passes upon legal questions arising in the payment of Mexican claims and payments to holders of awards of the Mixed Claims Commission; and handles the legal work in connection with railroad liquidations, receiverships, and reorganization proceedings under the Transportation Act of 1920.

During the fiscal year 1945, among the many special problems handled by the Legal Division were those relating to the collection of the revenues and related problems, the issuance of public debt obligations, the renegotiation of war contracts and brokers' fees, the settlement of terminated war contracts and claims arising therefrom, the establishment of policies and procedures to govern the disposition of surplus property (consumer goods and property held as owning agency), the formulation and presentation of proposals authorizing the membership of the United States in the international

monetary fund and the International Bank for Reconstruction and Development, and cooperation with military authorities on financial and monetary problems arising in liberated and conquered areas.

### BUREAU OF THE MINT<sup>1</sup>

The principal functions of the Mint Service consist of the manufacture of domestic silver and minor coins; the safeguarding of the Government's holdings of the monetary metals, including coins in processing stages until finished and distributed to the Treasury or to the Federal Reserve Banks; and the acquisition of gold and silver bullion, payments for which are made on the basis of Mint assays. Other major activities include the refining of gold and silver; coinage for foreign governments; and manufacture of gold, silver, and bronze medals, coinage dies, platinum assay utensils, and other materials. In addition, the Mint Service performs special assays of bullion and ores submitted by the public for analysis.

During the fiscal year 1945 seven field institutions were in operation: Coinage mints at Philadelphia, San Francisco, and Denver; assay offices at New York and Seattle; and the gold bullion depository at Fort Knox and the silver bullion depository at West Point. The Bureau of the Mint in Washington administers all Mint Service activities.

#### *Coinage*

*Coinage for domestic use.*—Domestic coin manufactured during the fiscal year 1945 amounted to the record production of 2,646,134,101 pieces, which represented an increased rate of production over the previous year's output for the sixth consecutive year. Coins produced during the year were as follows:

Denomination	Number of pieces	Face value
Half dollars.....	63,322,200	\$31,661,100.00
Quarter dollars.....	126,216,801	31,554,200.25
Dimes.....	341,651,000	34,165,100.00
5-cent pieces.....	155,627,100	7,781,355.00
1-cent pieces.....	1,959,317,000	19,593,170.00
Total domestic coinage.....	2,646,134,101	124,754,925.25

*Minor coinage alloys.*—The 5-cent piece produced during the year was composed of an alloy of 56 percent copper, 35 percent silver, and 9 percent manganese, with standard weight of 77.16 grains. The composition of the 1-cent piece coined during the year was 95 percent copper and 5 percent zinc, with weight of 48 grains. This alloy was produced by utilizing fired brass cartridge cases, made available by the War Department, to which virgin copper was added.

*Coinage for foreign governments.*—Production of coin for foreign nations, also the highest in the Mint's history, totaled 1,388,971,000 pieces, compared with 487,847,000 pieces the previous year. Pro-

<sup>1</sup> Further information concerning the Bureau of the Mint is contained in the Annual Report of the Director of the Mint.

duction for the various governments in the fiscal year 1945 was as follows:

<i>Government</i>	<i>Number of pieces</i>
Australia.....	26,000,000
Dominican Republic.....	2,000,000
El Salvador.....	6,000,000
Ethiopia.....	96,000,000
Greenland.....	100,000
Guatemala.....	3,150,000
Netherlands.....	848,207,000
Peru.....	15,500,000
Philippine Islands.....	353,704,000
Saudi Arabia.....	31,210,000
Venezuela.....	7,100,000
Total.....	1,388,971,000

The combined total of domestic and foreign coinage in 1945 amounted to 4,035,105,101 pieces compared with the 1944 record of 3,066,487,270 pieces. The weight of the finished coins was 16,488½ tons, an average daily production of 46 tons, which represented an increased output of 11 tons of coins per day over last year.

*Dual coining device.*—A dual coining device by which two coins are struck simultaneously has been invented and perfected in the Mint. This device has been used chiefly for the production of small coin, and was an important factor in the increased output of the coinage presses.

*Issue of domestic coin.*—During the fiscal year 1945 the mints issued coins with a face value of \$146,630,912. Issues were as follows:

Denomination	Number of pieces	Face value
Standard silver dollars.....	21,869,458	\$21,869,458
Half dollars.....	60,208,541	30,104,270
Quarter dollars.....	124,950,491	31,237,623
Dimes.....	338,022,309	33,802,231
5-cent pieces.....	223,876,000	11,193,800
1-cent pieces.....	1,842,353,000	18,423,530
Total.....	2,611,279,799	146,630,912

*Stock of coin and monetary bullion.*—On June 30, 1945, the estimated stock of domestic coin in the United States totaled \$1,623,280,700 and consisted of the following:

Standard silver dollars.....	\$493,943,078
Subsidiary silver coin.....	825,798,486
Minor coin.....	303,539,136
Total.....	1,623,280,700

The stock of gold bullion held by the Treasury on June 30, 1945, was valued at \$20,212,838,145. The stock of silver bullion on the same date amounted to 1,871,355,592 fine ounces.

### *Medals*

Production in the Medal Department at the Philadelphia Mint for the armed forces continued as rapidly as facilities permitted during the year. Output included 119,447 medals, 68,577 lapel buttons, and 145,934 ribbon bars. The medals made for the Navy, Coast Guard, Marine Corps, and Army included the following: Navy Cross, Silver Star, Distinguished Flying Cross, Navy and Marine Corps Medal, Air Medal, Purple Heart, Expert Rifleman, Expert Pistol Shot, Life

Saving Medal, Peary Polar Expeditionary Medal, and Gold and Bronze Stars. In addition, 6,535 various commemorative medals out of stock were sold to the public at a value of \$9,921.

### *Gold and silver*

*Value of receipts.*—The monetary value of gold and silver receipts during the fiscal year 1945 amounted to \$1,168,362,930 of which \$1,090,945,848 comprised inter-institution transfers.

*Bullion deposit transactions.*—Bullion deposit transactions during the year totaled 6,690. They included 118 inter-Mint Service transactions on which 23,319 assay determinations were made, and 29 redeposits of silver at the New York Assay Office returned from use in war plants, requiring 549 separate assay determinations. This silver was in the form of bar-end cuttings and other processing remnants which required melting and other work.

*Long-term storage of bullion.*—There were no transfers of bullion to the depositories for long-term storage during 1945. There were withdrawals from storage, however, of both gold and silver. Gold from Fort Knox, aggregating 29,585,374 fine ounces with a value of \$1,035,488,090, was shipped to New York to meet the increased demand for industrial use, for earmarking purposes, and for export. Silver withdrawn from storage was used for sales to industry under the Green Act (Public Law 137, approved July 12, 1943, as extended by Public Law 519, dated December 20, 1944, to December 31, 1945), for lend-lease, and for coinage. The total amount of silver withdrawn from West Point amounted to 235,874,956 fine ounces, leaving a balance of 277,832,017 fine ounces on June 30, 1945.

*Refineries.*—Electrolytic refineries are located at the New York, San Francisco, and Denver institutions. Owing to manpower shortages, however, the electrolytic product during the fiscal year comprised 1,363,783 fine ounces of gold and 904,070 fine ounces of silver, or a total of 78 tons. The refinery at Denver was operated during most of the year, negligible refining operations were carried on at New York, and the San Francisco refinery was closed throughout the year. Stocks of unrefined gold and silver bullion on hand at all mints and assay offices approximated 1,500 tons on June 30, 1945.

*Gold operations.*—Gold acquisitions by the mints and assay offices during the fiscal year, entered as classified melted receipts, amounted to \$56,214,889; receipts from the Treasury of domestic coin melted amounted to \$294,900; and transfers between Mint Service institutions, \$1,041,755,130. These transactions totaled \$1,098,264,919, including \$8,241 of gold received at \$20.67+ per fine ounce, the increment on which was \$5,712. Gold issue bars manufactured during the year numbered 42,829 and contained 3,550,034 fine ounces of gold with a value of \$124,251,205. Gold bars sold for the arts and industrial use during the fiscal year 1945 were valued at \$65,290,844, an increase of 161 percent over the sales of \$24,977,240 in the previous year.

*Silver operations.*—Silver acquisitions by the mints and assay offices during the fiscal year amounted to 14,774,100 fine ounces. The total



value, at an average of \$0.4663 per fine ounce, equalled \$6,889,235. Acquisitions were as follows:

Item	Amount (fine ounces)	Value
Newly mined domestic silver.....	74,724	\$52,336
Silver contained in gold bullion deposits, etc.....	435,235	175,268
Silver received in exchange for Government stamped bars.....	186,344	91,992
Redeposits.....	14,077,797	6,569,639
Total <sup>1</sup> .....	14,774,100	6,889,235

<sup>1</sup> Includes 373,609 fine ounces of silver received for account of Reconstruction Finance Corporation, Office of Metals Reserve Company.

Mutilated and uncurrent United States subsidiary coin received for recoinage yielded 1,306,001 fine ounces of silver with a recoinage value of \$1,805,427. Unfit silver dollars with a face value of \$393,881 were melted during the year, yielding 291,075 fine ounces of silver, which was recoin into subsidiary coin. Transfers of silver between mint institutions amounted to 38,043,572 fine ounces, and deposits of silver by foreign governments for coinage by United States mints totaled 42,864,528 ounces, bringing the grand total of silver receipts during the year to 97,279,276 fine ounces.

Silver consumed in domestic coinage in 1945 amounted to 79,198,517 fine ounces, of which 70,442,547 ounces were used in subsidiary coinage and 8,755,970 ounces in 5-cent coinage. The New York Assay Office manufactured 775,275 coinage ingots containing 32,294,496 fine ounces of silver for use at the Philadelphia mint. In addition, the Mint Service institutions during the year manufactured 3,083 silver issue bars containing 450,343 fine ounces.

During the fiscal year silver certificates in the amount of \$161,616 were issued against 125,000 fine ounces of silver bullion valued at \$1.29+ per fine ounce, the statutory monetary value of silver. This silver had been acquired at \$0.7111+ per fine ounce. The difference between the cost of the silver and the monetary value of such silver was \$72,727, and this amount constituted seigniorage.

The price paid for newly mined domestic silver received at the Mint was \$0.7111+ per fine ounce, in accordance with the act of July 6, 1939. Most of the newly mined domestic silver, however, was sold direct to consumers rather than to the Mint, under War Production Board approval. A slight price differential was allowed by the Office of Price Administration for such sales. The price of foreign silver remained fixed at \$0.45 per fine ounce throughout the year.

Mint sales of silver under the Green Act in 1945 amounted to 68,147,835 fine ounces, and silver lend-leased to other governments amounted to 119,837,110 fine ounces. The amount of silver leased to the Defense Plant Corporation, etc., amounted to 877,715,175 ounces as of June 30, 1945, compared with 891,792,971 ounces as of June 30, 1944.

*Production in the United States.*—Production of domestic gold and silver by refineries in the United States for the calendar year 1944 was as follows: Gold—1,022,238 fine ounces with a monetary value

of \$35,778,330; and silver—35,651,049 fine ounces. Compared with the calendar year 1943 this was a decrease in output of 372,284 fine ounces of gold and 5,169,590 ounces of silver.

*Industrial consumption in the United States.*—Gold and silver consumed in industry and the arts in the calendar years 1943 and 1944 are compared in the following table.

*Gold and silver issued for use in industry and the arts during the calendar years 1943 and 1944*

	1943	1944
<b>GOLD</b>		
Sales by mints and assay offices .....	<i>Value</i> \$17,502,973	<i>Value</i> \$41,589,833
Sales by private refiners and dealers .....	79,361,380	94,629,080
Total .....	96,864,353	136,218,913
Old jewelry, plate, scrap, etc., returned to private refiners and dealers and to monetary use .....	10,521,000	25,678,940
Net new material used in industry .....	86,343,353	110,539,973
<b>SILVER</b>		
Bar payment in exchange for bullion at mints and assay offices .....	<i>Fine ounces</i> 382,849	<i>Fine ounces</i> 154,196
Bar sales under Green Act by mints and assay offices .....	20,769,802	138,287,082
Silver in various forms issued by private refiners and dealers <sup>2</sup> .....	140,882,868	137,770,787
United States silver coin (estimated) .....	77,344	77,344
Total .....	162,112,863	176,289,409
Old jewelry, plate, scrap, etc. returned to private refiners and dealers and to monetary use .....	44,112,863	56,189,409
Net new material used in industry .....	<sup>†</sup> 118,000,000	120,100,000

<sup>†</sup> Revised.

<sup>1</sup> Additional silver sold under the Green Act for Philippine coinage.

<sup>2</sup> Excludes any Green Act silver which was reissued or handled on toll or similar basis by private refiners or dealers.

### *Income and expenses*

The following is a statement of the income and expenses of the mint institutions during the fiscal year, and the number of employees on June 30, 1945.

Institution	Gross income <sup>1</sup>	Gross expenses	Excess of income or expenses (—)	Number of employees on June 30, 1945
Philadelphia .....	\$65,459,230	\$7,536,173	\$57,923,057	2,608
San Francisco .....	16,276,734	2,376,543	13,900,191	424
Denver .....	11,829,461	1,875,436	9,954,025	437
New York <sup>2</sup> .....	36,950,287	660,445	36,289,842	174
Seattle .....	8,217	20,801	—12,584	6
Fort Knox .....		92,520	—92,520	36
Bureau of the Mint .....		174,418	—174,418	51
Total .....	130,523,929	12,736,336	117,787,593	3,736

<sup>1</sup> Includes \$78,051,275 seigniorage on coin; \$46,085,879 profit on sale of silver bullion; and \$5,712 increment to \$35 per ounce on revalued gold.

<sup>2</sup> Includes assay office at New York City and silver bullion depository at West Point.

### DIVISION OF MONETARY RESEARCH

The Division of Monetary Research in the Office of the Secretary provides information, economic analyses, and recommendations for the use of the Secretary of the Treasury and other Treasury officials to assist in the formulation and execution of the monetary policies of the Department in connection with the exchange stabilization fund, gold and silver, the flow of capital funds into and out of the United States, the position of the dollar in relation to foreign currencies, international monetary cooperation, monetary, banking, and fiscal policies of foreign countries, exchange and trade restrictions abroad, and similar problems. In addition, the Division provides economic analyses in connection with the Treasury's Foreign Funds Control, and monetary and financial problems in liberated and in occupied areas.

Analyses are also prepared relating to the customs activities of the Department and the duties of the Secretary of the Treasury under the Tariff Act and on other matters pertaining to international trade, including the trade agreement program.

The Division also is responsible for the economic and financial work in connection with the negotiation of exchange stabilization agreements made by the United States with foreign governments and central banks for the purpose of promoting international exchange stability. The Treasury's operations under these agreements are performed under the stabilization fund, which is administered by the Division.

### BUREAU OF NARCOTICS <sup>1</sup>

The Bureau of Narcotics directed its activities toward the suppression of the illicit traffic in narcotic drugs, and the close control of the legitimate distribution of drugs for Army and civilian medical uses, and for foreign relief purposes. Considerable planning was done to avert a post-war rise in drug addiction.

There was an increase during the fiscal year 1945 in the amount of narcotic drugs seized in the internal traffic, the total quantity amounting to 4,151 ounces in comparison with 1,431 ounces seized in 1944. Seizures of marihuana also increased to 493 pounds bulk, 214 pounds seeds, 12,792 cigarettes, and 1,057 growing plants as compared with 257 pounds bulk, 11 pounds seeds, 21,484 cigarettes, and 271 growing plants in 1944.

The table following shows the number of violations, by registered and nonregistered persons, of the narcotic and marihuana laws during the fiscal year as reported by Federal narcotic enforcement officers.

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<sup>1</sup> Further information concerning narcotic drugs is available in the separate report of the Commissioner of Narcotics.

*Number of violations of the narcotic and marihuana laws reported during the fiscal year 1945 and their disposition and the penalties*

	Narcotic laws				Marihuana laws	
	Registered persons		Nonregistered persons		Nonregistered persons	
	Federal court	State court	Federal court	State court	Federal court	State court
Pending July 1, 1944.....	r 364		1,057		299	
Reported during 1945:						
Federal <sup>1</sup> .....	362		1,032		256	
Joint <sup>1</sup> .....	45		335		347	
Total to be disposed of.....	771		2,424		902	
Convicted:						
Federal.....	74	3	573	187	212	13
Joint.....	17	2	174	90	197	37
Acquitted:						
Federal.....	9		17	5	3	1
Joint.....			3	4	5	3
Dropped:						
Federal.....	176		265	50	89	6
Joint.....	9	2	53	37	76	20
Compromised: <sup>2</sup>						
Federal.....	97		1			
Joint.....	6					
Total disposed of.....	395		1,459		662	
Pending June 30, 1945.....	376		965		240	

	Years	Months	Years	Months	Years	Months	Years	Months	Years	Months	Years	Months
Sentences imposed:												
Federal.....	147	10	3		1,179	9	133	5	360	5	9	9
Joint.....	20	8	10		388		114	2	292	10	79	3
Total.....	168	6	13		1,567	9	247	7	653	3	89	
Fines imposed:												
Federal.....	\$58,065		\$2,000		\$49,570		\$3,314		\$3,201			
Joint.....	13,700				3,213		2,984		3,900		\$2,488	
Total.....	71,765		2,000		52,783		6,298		7,101		2,488	

<sup>r</sup> Revised.

<sup>1</sup> Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation with each other.

<sup>2</sup> Represents 104 cases which were compromised in the sum of \$18,676.

Registrations under the narcotic and marihuana laws during the year are shown by classes in the following table.

*Registrations under the Federal narcotic and marihuana laws, June 30, 1945*

Class	Narcotic law	Marihuana law
Importers, manufacturers, producers, and compounders.....	154	
Importers, manufacturers, and compounders.....		8
Producers (growers).....		3,768
Dealers.....		142
Wholesale.....	1,168	
Retail.....	47,159	
Practitioners.....	132,505	480
Dealers in and manufacturers of untaxed preparations.....	1131,993	
Users for purposes of research, instruction, or analysis.....	150	59
Total.....	313,129	4,457

<sup>1</sup> Includes registrations for which payment of occupational tax is not required under law, because also registered in some other class.



Opium supplies continued to be available for import, and additional quantities were imported during the year. Coca leaf supplies similarly continued to be ample, both for medicinal purposes and the manufacture of nonnarcotic flavoring extracts.

The importation, manufacture, and distribution of both opium and coca leaves and their derivatives are subject to a system of quotas and allocations designed to secure their proper distribution for medical needs.

Exports of narcotic drugs increased during the year as compared with 1944 and remained considerably above the prewar level. Manufacture of opium derivatives continued high due to export requirements, the needs for military and naval operations, and the increased medical use of codeine by the civilian population.

The shortage of addiction drugs in the illicit markets was reflected in an increase in the number of thefts of narcotics from the stocks of wholesalers, retailers, and practitioners entitled to have them for medicinal needs. There was also an increase in the quantity of drugs reported stolen.

### DIVISION OF PERSONNEL

The Division of Personnel is charged with the supervision of the personnel activities of the entire Department, and its general functions include initiating, planning, and formulating personnel policies, procedures, practices, and programs, and coordinating and exercising control over the Department's personnel operations so that they will conform to approved policies and procedures. The functions of the Division are principally in the nature of advisory and control activities, with the personnel operations of the Department being actually carried out in the personnel units of the several branches, bureaus, and offices. This decentralization of personnel work, with control being retained in the central personnel office, is in line with the Department's policy of facilitating and strengthening the functioning of the operating organizations.

The activities of the Division include those relating to position-classification, salary administration, recruitment, placement, appointment, promotion, separation, retirement, discipline, investigation, efficiency rating, employee relations, leave, forms and records, training, and civil service rules and regulations.

Throughout the fiscal year 1945, the Division was engaged in fostering, developing, and maintaining a comprehensive program of personnel management, in the interests of bettering employee-employer relations, attaining higher standards of performance, and increasing the over-all efficiency and effectiveness of administration for the entire Department.

During the year the Division considered and acted upon 157,190 personnel recommendations relating to the appointment, promotion, reassignment, retirement, suspension, and separation of employees.

### COMMITTEE ON PRACTICE

The Committee on Practice is an administrative and judicial body. It has charge of the enrollment of attorneys and agents for practice

before the Treasury Department and conducts hearings in disbarment proceedings. An attorney, not a member of the Committee, represents the Government before the Committee. All complaints are filed with the attorney for the Government, who institutes proceedings in disbarment or suspension if the charges warrant such action. The Committee also issues licenses to customhouse brokers and makes findings of fact and recommendation to the Secretary of the Treasury in proceedings for the revocation or suspension of such licenses.

The following statement summarizes the work of the Committee for the year 1945:

	<i>Number</i>
Attorneys and agents:	
Applications for enrollment approved.....	2,697
Applications for enrollment disapproved.....	6
Applications withdrawn on advice of Committee.....	135
Formal hearings on applications.....	1
Complaints against enrolled persons:	
Pending July 1, 1944.....	25
Filed during the year.....	3
	28
Disposed of:	
Disbarred.....	4
Stricken from the rolls in the course of disbarment proceedings.....	1
Suspensions.....	1
Reprimands.....	0
Dismissed.....	2
	8
Pending June 30, 1945.....	20
Customhouse brokers:	
Applications for licenses approved.....	61
Applications withdrawn.....	4
Licenses canceled.....	34
Licenses revoked.....	0
Suspensions.....	0
Reprimands.....	0
Charges dismissed.....	1

Since the organization in 1921 of the Committee on Practice, 69,347 applications for enrollment have been approved and 779 disapproved. Two hundred and fifty-six practitioners have been disbarred from further practice before the Treasury Department, 140 have been suspended from practice for various periods, and 183 have been reprimanded.

### PROCUREMENT DIVISION

The Procurement Division was established by Executive Order 6166 of June 10, 1933, and its operation made effective as of October 9, 1933. Its main functions are the determination of policies and methods of procurement; the procurement of materials, equipment, and certain services for all Federal establishments except the Army, the Navy, and the United States Maritime Commission; and the storing, inspection, and conservation of supplies. Emanating from the war are special purchase programs, such as the procurement of supplies for lend-lease, the United Nations Relief and Rehabilitation Administration, the American Red Cross Refugee Relief programs, and the purchase and stockpiling of strategic and critical materials for the Army and Navy Munitions Board.

*Procurement*

*Purchases and purchasing methods.*—The following table shows the dollar volume of purchases made by the Procurement Division for the fiscal years 1944 and 1945:

Object	1944	1945
Regular activities <sup>1</sup> .....	† \$34, 378, 275	\$32, 941, 145
Lend-lease.....	1, 086, 587, 324	1, 306, 693, 095
United Nations Relief and Rehabilitation Administration.....		106, 314, 135
American Red Cross (foreign war relief).....	4, 347, 557	7, 616, 356
Strategic and critical materials.....	7, 024, 540	
Emergency relief and defense housing.....	97, 080	
Total purchases.....	† 1, 132, 434, 776	1, 453, 564, 731
Purchases by other agencies from the General Schedule of Supplies.....	296, 977, 584	185, 636, 583

† Revised.

<sup>1</sup> Purchases of supplies procured for other agencies or for stock issue to other agencies.

Procurement of supplies is accomplished by the negotiation of term contracts, and by the open market (spot) purchase of commodities not covered by term contracts or stocked in procurement warehouses.

Term contracts are negotiated for about 25,000 items against purchase orders of Federal agencies placed directly with the Procurement Division's contractors. The items are listed in the catalog, the General Schedule of Supplies, and the scheduled contracts are mandatory upon all establishments as specified.

Definite quantity purchases made in the open market are initiated by requisitioning agencies for items not covered by General Schedule of Supply contracts or carried in warehouse stock. These purchases are financed through the general supply fund, and reimbursement is obtained from the requisitioning agency.

Special purchase programs for lend-lease, United Nations Relief and Rehabilitation Administration, and strategic and critical materials are discussed on pages 104 and 105.

*Stores and warehousing.*—In order to serve the day-to-day needs of Government offices in the field, the Procurement Division during the fiscal year 1945 established purchase and supply facilities in Boston, Cleveland, Chicago, Atlanta, Kansas City, Denver, and Seattle, with subsidiary warehouse facilities at Philadelphia and Los Angeles. These were in addition to purchase and supply facilities established earlier at New York, Fort Worth, and San Francisco.

These units, together with the central facility in Washington, D. C., constitute the Procurement Division's procurement and supply system for consumable supplies in common use. During the fiscal year 1945, this system became the successor facility to 60 separately operated civil agency warehouses which were absorbed or eliminated. Each center is organized to render complete service direct to the Government agencies in its area, but utilization of this national supply system is voluntary. The extent to which they have availed themselves of this service is evidenced by the issue of stock valued at \$15,619,403 during the fiscal year 1945, even though some of the units were established in the middle of the year.

The warehouse and supply centers are self-sustaining through surcharges to cover handling costs. Their operations are financed

through the general supply fund, from which all expenditures are made and to which all collections are credited. This fund is described in a subsequent section.

*Fuel.*—The task of furnishing solid and liquid fuels to buildings used by the Federal and District Governments in the District of Columbia and vicinity was unusually difficult during the winter of 1944-45 because of the severity of the weather, interrupted coal production, congested railroad conditions, and nonavailability of heavy delivery trucks. Despite these difficulties, however, no services were interrupted through lack of fuel. This was made possible through the utilization of coal from a stockpile built up by the Procurement Division for the purpose of meeting emergencies.

The following tabulation shows the value of fuel sales during the fiscal years 1943, 1944, and 1945. The decrease in sales in the fiscal year 1945 resulted mainly from the discontinuance of a considerable number of military facilities in the Washington D. C., area and the reduction of building temperatures.

Type	Truck deliveries <sup>1</sup>			Direct deliveries (by car or barge)		
	Fiscal year 1943	Fiscal year 1944	Fiscal year 1945	Fiscal year 1943	Fiscal year 1944	Fiscal year 1945
Coal:						
Anthracite.....	\$368,994	\$375,705	\$284,923	\$13,667	\$8,852	\$16,691
Bituminous.....	856,172	1,808,581	1,317,933	1,850,888	2,045,829	1,899,015
Oil.....	954,808	1,008,293	972,199	121,725	34,087	3,050
Miscellaneous <sup>2</sup> .....	7,345	3,813	4,243	5,790	4,242	4,828
Total.....	2,187,319	3,196,392	2,579,298	1,992,070	2,093,010	1,923,584

<sup>1</sup> From fuel stocks at the fuel yard.

<sup>2</sup> Charcoal, coke, and wood.

*Utility services.*—Through its Public Utilities Division, established July 1, 1944, the Procurement Division performs the technical work required to achieve the most efficient use and procurement of utility services for the Federal agencies. Research and analysis were continued during the year to develop bases for negotiating consolidated contracts and for minimizing their costs.

The program for negotiating contracts covering the Government's use of particular utility services in the larger metropolitan areas was vigorously prosecuted and resulted in contracts with the Illinois Bell Telephone Co. for service in the Chicago area; with the New York Telephone Co. for service in New York State; and with the American Telephone & Telegraph Co. for all long lines service in the country. Supervision was maintained over the existing consolidated contracts covering electric, telephone, and gas service taken by Federal agencies in Baltimore, Chicago, New York, Philadelphia, and the District of Columbia, and on leased wire service with the American Telephone & Telegraph Co. on a country-wide basis.

As a result of studies of electric costs in the District, and after an extensive hearing last year before the Public Utilities Commission, in which the Division represented the Government, electric rates were reduced over \$1,000,000 per year. To determine the precise allocation of this reduction among the various classes of consumers, further hearings were held this year, and should the position of the Procurement Division prevail, the Government's share of this reduc-



tion would be approximately \$300,000. In addition, studies have been made of rates and charges for electric service to the Government in other large centers.

Similar studies are being conducted to determine more economical methods of obtaining adequate communication services both in Washington, D. C., and in the field. Consolidation of facilities now used by various departments, for instance, promises substantial savings as well as more efficient service.

*Traffic service.*—The Central Traffic Section provides daily information on transportation rates for all Government agencies, except the military services, in Washington, D. C.; conducts surveys of Government traffic practices; negotiates with carriers and their agents for special rates; and prepares and files complaints before the Interstate Commerce Commission and other public regulatory bodies.

As the result of an agreement in March 1944 upon a proposal initiated by the Central Traffic Section, rail carriers waived certain tariff restrictions and allowed the Government to use the more favorable export freight rates rather than the higher domestic rates on goods shipped through Pacific ports. Previously Government export traffic, with some exceptions, had moved to port subject to domestic rates. This was the result of necessary noncompliance with certain tariff restrictions which limited the use of export rates to goods transhipped on carriers by water, etc., for which the name of the foreign destination was given. The agreement was made retroactive to January 1, 1942, and applies to export traffic of the War, Navy, and Agriculture Departments as well as to that of Treasury Procurement. Claims for recovery under the retroactive provisions of the agreement, processed during the fiscal year 1945, amounted for the Procurement Division to approximately \$2,500,000, leaving an estimated balance for recovery of \$17,500,000. This was additional to substantial savings on shipments which moved under export rates after the agreement was effected in March 1944.

During the fiscal year, the Central Traffic Section also laid the groundwork to effect recoveries of certain transportation charges from rail carriers in connection with goods purchased f. o. b. points of manufacture or storage on which in-transit fabrication and storage privileges exist. This procedure is well established and has been operative commercially for many years. It had not been used by Government agencies, however, because usually they buy f. o. b. point of manufacture or storage, and, therefore, normally could not avail themselves of the balance of through rates from sources of materials to the ultimate destinations.

*Printing and binding.*—The trend toward central procurement of printed material during the fiscal year 1945 necessitated broader organization for handling this service of supply, and on November 15, 1944, the Printing and Binding Section was enlarged and set up as the Printing Section. This Section transacts with the Government Printing Office all printing and binding business for the Treasury Department and 12 constituent war agencies served by the recently absorbed Central Administrative Services. During the fiscal year this business totaled 5,779 requisitions upon the Government Printing Office at a cost of \$5,003,796.82. The Printing Section also negotiated 32 term contracts for commercially produced printed material—chiefly manifold blank forms. During the year, 1,593

orders were issued for such commercial printing at a cost of \$1,623,813.15.

The editorial staff of the Printing Section, in accordance with an agreement with the Government Printing Office, edits and prepares copy, proofreads, and follows through to delivery, document work for the Treasury Department and various war agencies. This Section also is charged with the procurement for the entire Federal establishment of engraving and plate printing from the Bureau of Engraving and Printing, unless the production of money, securities, or postage stamps is involved. During this fiscal year, 5,477 requisitions for Government agencies, with a value of \$1,625,202.64, were drawn on the Bureau of Engraving and Printing by the Procurement Division.

*Duplicating.*—On October 1, 1944, the Procurement Division was assigned the duplicating activities of the Central Administrative Services of the Office of Emergency Management. This office handles complete duplicating services for war agencies. During the fiscal year 1945, 15 duplicating plants throughout the country operated by the Procurement Division reproduced for Federal establishments a total of 670,370,119 impressions, with a sales value of \$2,914,391.59. These operations are financed through a working capital fund of \$750,000.

*Blind-made products.*—During the fiscal year purchases of products made by blind persons under the Wagner-O'Day Act amounted to \$8,931,710. Participating in the program are 53 institutions in which employment was given to approximately 2,500 blind persons.

*Forfeited and seized property.*—Forfeited, seized, and abandoned property reported to the Procurement Division for transfer to other Government agencies or disposal by donation to eleemosynary institutions during the fiscal year included, according to the appraisals of the declaring agencies, 898 motor vehicles valued at \$614,335; 31,301 gallons of spirits valued at \$334,275; and miscellaneous articles valued at \$237,045.

*Standardization.*—The development and promulgation of specifications, and the cataloging and classification of items commonly used by the Federal Government, are all forms of standards work performed by the Procurement Division. Federal and Procurement specifications are prepared which cover materials, supplies, and equipment used by the Federal departments and agencies, and the armed services. This work is accomplished through 74 technical committees whose membership is composed of scientific and other expert personnel of Government offices. Each committee is assigned appropriate commodities and is empowered to consider all factors necessary to the development of a specification which fits requirements both of use and of manufacturing practice.

The specifications used by purchasing officers to describe their requirements to suppliers provide a uniform basis for bids; assure positive identification; eliminate buying of proprietary articles; and provide the basis for open competition. As a result, the purchasing is simplified, and confusion and delay are eliminated. Federal specifications are not only essential to the purchasing operations of the Government, but are widely used by State, county, municipal, institutional, and educational purchasing bodies as an aid toward economical purchases.

During the fiscal year 1945 a continuing survey made in collaboration with the War Production Board of changes in the availability of materials resulted in the issuance of 252 amendments to Federal

specifications and the cancellation of 142 emergency alternate Federal specifications, which were originally issued during the most critical period of material shortages. A total of 95 new and 75 revised Federal specifications were promulgated, bringing the number of Federal specifications in effect as of June 30, 1945, to 1,688. During the year, 75 new and revised Procurement Division specifications were issued for materials and supplies being currently procured under the General Schedule of Supplies. Total Procurement Division specifications in effect as of June 30, 1945, were 391.

The Procurement Division also prepares, publishes, and revises the Federal Standard Stock Catalog, a classification of the supplies regularly procured, stored, and issued by or for the various departments and establishments of the Government. This work includes the preparation of supplements and special catalogs as the needs may require. Examples of the latter are the Navy Department Supplement, the Panama Canal Supplement (containing about 50,000 items), and the Regional Warehouse and Supply Center Catalog for the 13 Procurement warehouses. Since the first Catalog was published in 1931 listing 150,000 items, the Catalog and supplements have been developed to include 350,000 items.

*Inspection service.*—The Procurement Division maintains an inspection service which performs visual, physical, analytical, and utility examinations and tests. Inspections are made of warehouse stock and of certain purchases made through General Schedule of Supply contracts. They are also conducted upon the request of any Government agency on materials purchased by the Procurement Division but delivered direct to the ordering agency. As an auxiliary inspection facility, a sample room is maintained where standard samples of articles covered in active contracts are displayed for examination by Government agencies. In addition to these regular services, a special office inspects and expedites lend-lease purchases, discussed on page 104 of this report.

*Repair shops.*—To effect better utilization of Federal property through maintenance, repair, and rehabilitation, the Procurement Division operates furniture, automotive, and typewriter repair shops.

The value of services rendered by each of the shops during the fiscal year 1945 was: Furniture repair shop, \$146,972; automotive repair shop, \$180,708; and typewriter repair shop, \$64,415.

*Conservation.*—The Procurement Division, through its general conservation liaison officer, continued its efforts to conserve supplies and equipment in collaboration with the various agencies of the Federal and District Governments.

*Contracts terminated.*—As a result of current cancelations of contracts placed by the Procurement Division under the lend-lease program, contract terminations of the Division have increased materially. The following figures summarize termination actions taken during the fiscal year 1945:

Type of action	Number	Contract price of items canceled
Contracts terminated.....	868	\$64,081,000
Contracts settled without cost.....	566	40,968,000
Claims filed.....	71	8,674,000
Claims settled.....	24	2,058,000



Gross payments in settlement to contractors during the fiscal year were \$216,000. As of June 30, 1945, contract terminations awaiting claim were 236, with a contract price of items canceled of \$14,871,000. Sixty-two claims involving \$7,692,000 were awaiting settlement at the close of the fiscal year. As evidence of the sharp increase in terminations since VE-day, 513 of these terminations were effected during the months of May and June 1945.

In accordance with directive orders of the Director of War Mobilization and prior authorizations, the Contract Termination Settlement Review Board of the Procurement Division continues to review all terminations settled with claim and all pretermination agreements. This Board consists of five members all of whom with the exception of the Chairman serve in ex officio capacity. The latter attends all meetings of the subcommittees of the Office of the Contract Settlement Advisory Board.

*Renegotiation of contracts.*—Under existing law providing for the renegotiation of contracts, the Procurement Division's Price Adjustment Board has completed work with 793 contractors. Of this number, the Board has determined excessive profits in the amount of \$25,621,110 from 228 contractors. In addition, a review of other contracts resulted in reductions in contract prices amounting to \$402,680, making the total of determinations of excessive profits and reductions effected \$26,023,790. See also pages 24 and 105.

*Surplus property.*—For a discussion of the Procurement Division's surplus property activities, see page 105.

### *Fiscal and administrative operations*

*General supply fund.*—This fund was established pursuant to the act of February 27, 1929 (45 Stat. 1341), and is available to finance the stock, consolidated purchases, and services authorized under Executive Order No. 6166. It is a revolving fund from which payments are made for commodities purchased and services performed for other agencies, and to which collections, made from the applicable appropriations, are credited.

A statement of the assets and liabilities of the general supply fund as of June 30, 1945, follows:

Assets	Amount	Liabilities and capital	Amount
Current assets:		Current liabilities:	
Cash.....	\$3, 223, 570. 60	Accounts payable.....	\$3, 380, 587. 15
Accounts receivable.....	4, 583, 088. 81	Unearned income.....	418, 447. 85
Postage.....	3, 970. 43		
Total.....	7, 810, 629. 84	Total.....	3, 799, 035. 00
Inventories and deferred charges:		Appropriations and capital:	
Inventories (at cost).....	5, 022, 836. 90	Capital.....	8, 020, 196. 07
Deferred charges.....	108, 222. 86	Donated capital.....	682, 949. 53
		Surplus.....	439, 509. 00
Total.....	5, 131, 059. 76	Total.....	9, 142, 654. 60
Total assets.....	12, 941, 689. 60	Total liabilities and capital.....	12, 941, 689. 60

*Finance.*—Because the Procurement Division's purchases involve numerous types of financial transactions, its fiscal activities cover almost every type of accounting. Net cash discounts taken by the Procurement Division during the fiscal year 1945 include: \$23,215.34



on the Red Cross program, \$3,359,876.69 on lend-lease, \$66,752.11 on the general supply fund, and \$858.42 on the working capital fund. Net cash discounts taken by the Procurement Division on lend-lease contracts since the beginning of the program totaled \$15,879,084. Total expenditures for administrative expenses on lend-lease made by the Procurement Division amounted to \$19,879,260. Through cash discounts, therefore, the Procurement Division recovered almost 80 percent of the cost of operations on its lend-lease contracts.

#### DIVISION OF RESEARCH AND STATISTICS

The Division of Research and Statistics in the Office of the Secretary of the Treasury serves as a technical staff for the Secretary and other Treasury officials on the economic aspects of certain fiscal operations and policies. Its work is concerned particularly with Treasury financing and public debt problems, estimating the amount of future Federal revenues, actuarial analyses involved in certain Treasury functions, and various general economic problems arising in connection with Treasury activities.

For the use of officials in planning financing operations, both for new money and for refunding purposes, the Division provides estimates of the income and savings position of different classes of investors, information on the amounts of the outstanding public debt already held by these investors, and indications of possible shifts in holdings which might occur under various conditions. It analyzes the relative desirability of selling additional securities to each class, and suggests the types of securities best suited to the requirements of each class. It works out in detail the terms of the securities which might be offered in specific financing operations, and analyzes the relation of these securities to the maturity schedule and interest costs of the debt as a whole, and the effect of their issuance upon the market prices and ownership distribution of outstanding Government securities. It appraises the impact of public debt operations upon the country's credit structure and general economy from both immediate and long-range points of view. The results of financing operations are analyzed so as to measure their effectiveness and offer guidance in the planning of future operations.

Estimates of tax revenues under existing tax laws are prepared in the Division for use in planning financing operations in the Treasury and for incorporation in the President's Budget messages to Congress. In connection with proposals for new tax legislation, estimates are prepared by the Division at the request of Treasury officials and committees of Congress, to show what increases or decreases in revenue may be expected to result from various suggestions for changes in or additions to the existing tax structure.

The Government Actuary, who is on the staff of the Division, is a member of the Board of Actuaries established under the Civil Service Retirement Act, and is the Treasury Department's representative on the Actuarial Advisory Committee of the Railroad Retirement Board. He is responsible for the estimates which have to be prepared each year, in accordance with statutory provisions, to show the amount of the annual appropriations required to be made to the foreign service retirement and disability fund and to the District of Columbia teachers' retirement fund. He makes various other actuarial analyses and handles problems involving investment mathematics.

## SECRET SERVICE DIVISION

The Secret Service Division has important security functions in addition to its enforcement work. It is responsible for the protection of the President of the United States and his immediate family, of the Treasury Building and other buildings housing Treasury Department activities, of obligations and securities of the United States in production, transit, and storage, and of valuable papers stored in Treasury Department vaults and buildings. It is charged with the suppression of counterfeiting, forging, or alteration of obligations and securities of the United States and foreign countries, and of counterfeiting of coins; investigations of forged endorsements on, or the fraudulent negotiation of, United States Treasury checks, and investigations of loss of valuables in shipments by Government agencies and of applicants for certain positions in the Treasury Department.

*Protective and security activities*

Careful plans were made for the late President Roosevelt's journey to Yalta in February for the historic "Big Three" conference with Prime Minister Churchill and Premier Stalin, and a large detail of agents extended protection to the President on this trip. At the end of the fiscal year intensive security preparations were in progress for President Truman's first trip abroad since taking office to attend the conference with Premier Stalin and Prime Minister Churchill (and the latter's successor, Prime Minister Attlee) at Potsdam, Germany. Agents were detailed in June to extend protection to President Truman at Olympia, Wash., at the United Nations Conference at San Francisco, and at his home at Independence, Mo. Agents were also detailed to protect the United Nations Charter after it had been approved and signed by representatives of 50 governments. It was placed in a small safe and flown to Washington where agents delivered it safely to the State Department on June 28.

The protection of this historic document follows a highly important assignment of the same character not previously reported because of secrecy restrictions. In December 1941, the Treasury Department was asked to detail Secret Service agents to protect the originals of the Constitution of the United States, the Declaration of Independence, the Articles of Confederation, the Lincoln Cathedral copy of the Magna Carta, the Gutenberg Bible, the first and second autographed drafts of Lincoln's Gettysburg address and his Second Inaugural address during their transportation to Fort Knox. On December 26, 1941, the documents were removed, in Secret Service custody, from the Library of Congress to the bullion depository of the Bureau of the Mint at Fort Knox, Ky., for safekeeping during the war. Agents also protected them in transit when they were finally returned to the Library after all danger of enemy bombing had been declared eliminated.

Agents also were assigned during the year to extend protection to distinguished guests of this country, including President Sergio Osmena of the Philippines; Madame Chiang Kai-shek, wife of the Generalissimo of China; Princess Juliana of Holland; and Crown Prince Olaf, Princess Martha, and family of Norway.

The Uniformed Force of the Secret Service protected a total of \$232,657,030,473 in money, stamps, bonds, and other Government

securities in transit. In addition, they protected money and securities worth \$285 billion in production and in storage in Washington and Chicago. Other security duties of the Uniformed Force involved protection of the Bureau of Engraving and Printing, the Treasury Building, and other buildings housing Treasury Department activities, including the Merchandise Mart, the Furniture Mart, and the Nash Building in Chicago, where branches of the Bureau of the Public Debt are in operation.

### *Enforcement activities*

The counterfeiting of bills and coins has been reduced to a point where it was not a serious menace during 1945 and losses to the public through the acceptance of counterfeits were held to a minimum. The total representative value of bogus bills and coins seized during the year was \$68,324, of which only \$28,852 represented losses to the public. There were 58 persons arrested for counterfeiting activities in 1945. No major currency counterfeiting plants were in operation and few professional counterfeit passers operated except that at the year's end agents were still trying to trace the passer of a crude counterfeit \$1 bill which has circulated exclusively in New York City since 1938. Only 40 or 50 of the notes are passed each month, all bearing the serial number K7002536A.

With the arrest of 11 persons in Buffalo, Rochester, and Syracuse, N. Y., agents nipped in the bud a major conspiracy to flood the country with counterfeit \$5 Internal Revenue auto-use-tax stamps and counterfeit A-10 OPA gasoline ration coupons. The counterfeiting plant was captured July 20, 1944, at Rochester where agents seized more than 40,000 sheets of paper. Substantial prison sentences were imposed on the principals in this case.

Coin counterfeiting was negligible. The manufacture of worthless coin-slugs, which at one time victimized owners of automatic coin machines to an estimated extent of \$5,000,000 yearly, has been practically eliminated, according to a letter of appreciation received by the Secret Service from the National Association of Vending Machine Owners. An important factor in the suppression of this activity was the enactment of a new statute (18 U. S. C. 282a), prohibiting the making, selling, and use of coin slugs such as had previously been used to defraud automatic coin vending machine owners and transit and telephone companies. This legislation had been recommended by the Treasury Department because certain district courts declined to consider the use of such slugs as a violation of counterfeit statutes and because of reports of substantial losses and numerous complaints made to the Secret Service by transit and telephone companies, owners of vending devices, and other victims of coin-slugs.

With currency counterfeiting under control, thefts and forgeries of Government checks and war bonds were the principal enforcement problems confronting the Secret Service during the year. Two plants for the production of counterfeit Treasury checks were seized by agents before the counterfeiters had time to defraud many merchants. In Oklahoma City, Okla., on February 7, agents arrested one maker of bogus Treasury checks. Printed on safety paper, the false forms were of original design and excellent workmanship. The counterfeiter cashed only 18 of them before he was arrested and his equipment seized by the Secret Service. He pleaded guilty and was sentenced to serve 3 years. The other check counterfeiter was



arrested in Dallas, Tex., February 17, when 100 bogus checks were seized before any of his product could be passed. He is awaiting prosecution. In Chicago, Ill., a ring of check thieves and forgers netted some \$4,000 from forged endorsements on stolen checks before the ring was captured. The courts imposed substantial sentences on the defendants.

During the year the Secret Service received 16,380 checks for investigation and arrested 1,722 check thieves and forgers. Of those arrested, 706, or about 41 percent, were under 21 years of age. Thefts and forgeries of checks by minors became a growing problem and as a result special efforts are being made through the "Know Your Endorser" campaign to prevent this type of violation by warning merchants to use extreme care in cashing checks for juveniles. In New York City 31 juvenile forgers were arrested, including a youthful quartette, the oldest 19, who stole 20 Government checks from mail boxes. In Newark, N. J., Secret Service agents and Post Office inspectors disrupted activities of "The Jacket Club," an organization with a female membership devoted exclusively to stealing Government checks. The ringleaders were girls of 15 or under. The club name was inspired by the window envelopes, or "jackets," in which Treasury checks are mailed.

Forged and altered war bonds received for investigation during the year totaled 2,587 and resulted in an additional 241 arrests. In New York City, the theft of \$2,125 worth of war bonds necessitated the entry of the registered owner to a charity home until his claim for duplicate bonds was settled. In Buffalo, N. Y., agents arrested a bond forger responsible for the theft of some \$12,000 worth of war bonds. He was convicted and sentenced to serve 3 years in prison.

There were 1,594 convictions for check forgery in 1945 as against 1,480 in 1944. Bond forgery convictions totaled 192 in 1945 as against 68 for the previous year. Convictions for currency counterfeiting numbered 42 in 1945 and 54 in 1944. Convictions were obtained in 97.8 percent of the cases of all types which went to trial in 1945, as compared with 97.9 percent of cases tried in 1944. Fines in criminal cases in 1945 totaled \$126,713 and imprisonments totaled about 2,178 years. Additional sentences aggregating about 2,338 years were suspended or probated. There were 21,493 criminal cases disposed of during the year.

The following tables present data relating to the activities of the Secret Service.

*Counterfeit money seized, fiscal years 1944 and 1945*

	1944	1945	Increase or de- crease (—)	Percentage increase or de- crease (—)
Counterfeit and altered notes seized:				
After being circulated.....	\$26,611	\$27,970	\$1,359	5.11
Before being circulated.....	5,376	31,249	25,873	481.27
Total.....	31,987	59,219	27,232	85.13
Counterfeit coins seized:				
After being circulated.....	14,607	8,866	—5,741	—39.30
Before being circulated.....	466	239	—227	—48.71
Total.....	15,073	9,105	—5,968	—39.59
Grand total.....	47,060	68,324	21,264	45.18



*Number of investigations of criminal and noncriminal activities, fiscal years 1944 and 1945*

	1944	1945	Increase or de- crease (—)	Percentage increase or de- crease (—)
<b>Criminal cases:</b>				
Making or passing:				
Counterfeit notes.....	136	105	—31	—22.79
Counterfeit coins.....	87	81	—6	—6.90
Altered obligations.....	166	241	75	45.18
Forgery of Government checks.....	18,168	14,052	—4,116	—22.66
Stolen or altered bonds.....	441	1,674	1,233	279.59
Violation of Gold Reserve Act.....	69	39	—30	—43.48
Violation of Farm Loan Act.....	6	2	—4	—66.67
Protective research cases.....	6,907	4,891	—2,016	—29.19
Stamp and strip stamp cases.....	16	13	—3	—18.75
Theft of Treasury Department property.....	21	31	10	47.62
False claim cases.....	33	14	—19	—57.58
War ration stamp cases.....	132	138	6	4.55
Miscellaneous.....	288	212	—76	—26.39
<b>Total.....</b>	<b>26,470</b>	<b>21,493</b>	<b>—4,977</b>	<b>—18.80</b>
<b>Noncriminal cases:</b>				
Personnel (applicants).....	2,897	1,571	—1,326	—45.77
Surveys.....	42	32	—10	—23.81
Government losses in shipment.....	117	39	—78	—66.67
Miscellaneous.....	187	3,934	3,747	2,003.74
<b>Total.....</b>	<b>3,243</b>	<b>5,576</b>	<b>2,333</b>	<b>—71.94</b>
<b>Grand total.....</b>	<b>29,713</b>	<b>27,069</b>	<b>—2,644</b>	<b>—8.90</b>

*Number of arrests and cases disposed of, fiscal years 1944 and 1945*

	1944	1945	Increase or de- crease (—)	Percentage increase or de- crease (—)
<b>Arrests for:</b>				
Making or passing:				
Counterfeit notes.....	25	35	10	40.00
Counterfeit coins.....	30	23	—7	—23.33
Altered obligations.....	98	87	—11	—11.22
Forgery of Government checks.....	1,691	1,722	31	1.83
Violation of Gold Reserve Act.....	1	3	2	200.00
Violation of Farm Loan Act.....	3	3	0	0
Stolen, altered or forged bonds.....	93	241	148	159.14
Protective research cases.....	233	160	—73	—31.33
Stamp and strip stamp cases.....	4	12	8	200.00
False claim cases.....	5	3	—2	—40.00
Theft of Treasury Department property.....	11	13	2	18.18
War ration stamp cases.....	192	102	—90	—46.88
Miscellaneous.....	29	21	—8	—27.59
<b>Total.....</b>	<b>2,415</b>	<b>2,425</b>	<b>10</b>	<b>.41</b>
<b>Cases disposed of:</b>				
Convictions in connection with:				
Counterfeit notes.....	19	26	7	36.84
Counterfeit coins.....	35	16	—19	—54.29
Altered obligations.....	74	88	14	18.92
Forgery of Government checks.....	1,480	1,594	114	7.70
Violation of Gold Reserve Act.....	4	1	—3	—75.00
Violation of Farm Loan Act.....	3	—	—3	—100.00
Stolen, altered or forged bonds.....	68	192	124	182.35
Protective research cases.....	224	168	—56	—25.00
Stamp and strip stamp cases.....	2	10	8	400.00
False claim cases.....	3	2	—1	—33.33
Theft of Treasury Department property.....	7	16	9	128.57
War ration stamp cases.....	149	187	38	25.50
Miscellaneous.....	9	11	2	22.22
<b>Total.....</b>	<b>2,077</b>	<b>2,311</b>	<b>234</b>	<b>11.27</b>
Acquittals.....	44	51	7	15.91
Dismissed, not indicted, or died before trial.....	206	190	—16	—7.77
<b>Total cases disposed of.....</b>	<b>2,327</b>	<b>2,552</b>	<b>225</b>	<b>9.67</b>

*Crime prevention program*

The Secret Service program to encourage potential victims of counterfeiters and check and bond forgers to protect themselves from losses was actively continued in the "Know Your Money" and "Know Your Endorsers" campaigns, as the Treasury Department seeks to stimulate the public's respect for Federal law and to secure its cooperative assistance in preventing crime by pointing to the stake which the honest citizen has in the effort. Newspapers, magazines, radio networks, motion pictures, school departments, bankers, merchants and others cooperated to keep merchants and other money handlers from falling prey to passers of bad money, forged Government checks, and stolen war bonds. A well-known insurance company cooperated in the program by producing two 16-millimeter educational films in color, one showing how to detect counterfeit money and the other how to prevent losses caused by carelessness or ignorance through failure to require proper identification when cashing checks for juveniles or strangers. Prints of the films were made available to the Secret Service and have been used to show potential victims the best ways to prevent losses inflicted by criminals specializing in these types of crime.

**OFFICE OF THE TAX LEGISLATIVE COUNSEL**

The Office of the Tax Legislative Counsel is charged with the responsibility of acting as legal and technical adviser to the Secretary of the Treasury in connection with the planning and coordination of recommendations of the Department on internal revenue legislation. In addition to the aid given to the Secretary in the preparation of such recommendations, the Office represents the Treasury before the committees of Congress considering tax legislation. It also renders assistance to the Legislative Counsel of the House of Representatives in the actual drafting of the statutory provisions and aids in the preparation of the reports of the congressional committees with respect to the technical aspects of the tax legislation reported out by them.

During the fiscal year 1945 the efforts of the Office were directed primarily to the joint studies with the staff of the Joint Committee on Internal Revenue Taxation which resulted in the suggestions made to the Joint Committee for amendments to the tax laws to aid in reconversion. These suggestions were enacted by the Congress in the Tax Adjustment Act of 1945. In addition to the work on this revenue measure, the Office also took part in the customary work on forms and regulations necessary to the administration of the revenue laws.

The Office reviews all internal revenue regulations and advises the Secretary with respect thereto. In the fiscal year 1945, 72 Treasury decisions revising regulations were reviewed. The Office also reviewed or prepared reports of the Department on 69 bills concerning internal revenue laws; participated in numerous conferences with individuals, private organizations, and other governmental agencies on taxation matters; continued its extensive studies in collaboration with its Technical Advisory Committee on Income Tax Matters and the Advisory Committee on Estate and Gift Taxation, both of which committees are composed of tax experts outside the Government;

and handled a large volume of correspondence pertaining to suggestions or recommendations for revenue legislation and inquiries about existing legislation.

### DIVISION OF TAX RESEARCH

The Division of Tax Research assembles the facts and prepares the economic, statistical, and technical analyses needed (1) to aid the Secretary, the Under Secretary, and other Treasury officials in the formulation of Treasury tax policy, (2) to aid the Ways and Means Committee of the House of Representatives, the Finance Committee of the Senate, and the Joint Committee on Internal Revenue Taxation in their consideration of tax proposals and legislation, and (3) to provide information on various tax matters, as requested, to the President, members of Congress, various Government officials, and the public.

To carry out its functions, the Division is required to make basic surveys of the tax problems of the Federal Government, to devise alternative methods of meeting revenue requirements, and to develop methods of adjusting the tax system to changing economic conditions. The tax system as a whole is analyzed with a view to obtaining revenue yields large enough to meet prospective revenue requirements and to making adjustments in a manner which will be fair to taxpayers and will avoid undesirable economic effects. Individual taxes are studied (1) to determine their effects on the particular groups of taxpayers involved, (2) to avoid inequity among taxpayers within a given group, (3) to ascertain and develop methods of meeting the administrative and compliance problems of the tax, and (4) to devise ways of integrating the particular tax with the tax system as a whole. These studies require economic analyses of the effects of each tax; technical analyses of the more complicated problems inherent in various tax measures; and statistical analyses of the distribution of the burden of specific taxes, of the total Federal tax load, and of the combined Federal, State, and local burden.

The interrelationships of Federal, State, and local taxes are studied with a view to possible improvements in intergovernmental fiscal relations. Specific State and local taxes are also examined not only to determine the combined effect of such taxes and Federal taxes but also to assure the Federal Government of the benefit of State and local tax experience. Likewise, to gain the benefit of foreign experience and to compare tax policies, studies are made of foreign tax systems and selected taxes in foreign countries.

The Director and members of the Division assist in the presentation of the Treasury's tax program to the congressional committees, and are frequently called upon for technical assistance to those committees. Conferences are held with members of the committees and with the staff of the Joint Committee on Internal Revenue Taxation for the purpose of explaining various aspects of Treasury tax proposals and assisting in the analysis of tax measures under congressional consideration. Members of the Division also participate in conferences with taxpayers who desire to call special problems to the attention of the Treasury Department.

The Division is also charged with general responsibility respecting the assembly and publication of statistics pertaining to Federal taxation. In this connection, it exercises general supervision over the

statistical work of the Bureau of Internal Revenue. Correspondence relating to matters of taxation not involving legal questions is handled by the Division.

During the fiscal year 1945 the work of the Division was largely concentrated on problems associated with the revision of Federal taxes for the transition and postwar periods. The Congressional Joint Committee on Internal Revenue Taxation in June 1944 directed its staff to work with the Treasury tax staff as a unit on the study of postwar tax problems and to submit facts, materials, and suggestions to the Committee. This work, in the form of research studies, conferences with many outside groups, and the submission of a series of reports to the Joint Committee, continued throughout the year.

The two staffs aided the congressional committees in formulating modifications in the corporation tax laws designed primarily to ease the cash position of business during the reconversion period by making certain tax credits and refunds more speedily available. A bill to this end was before the Congress at the end of the fiscal year and became law on July 31, 1945, as the Tax Adjustment Act of 1945.

### WAR FINANCE DIVISION

The War Finance Division of the Office of the Secretary is charged with the responsibility of promoting the sale of all securities offered to the public by the Treasury Department during war loan drives and of United States savings bonds between drives.

This Division during the fiscal year devoted the major part of its efforts to an educational and informational and sales program aimed at three main objectives: (1) to augment public participation in the war financing program, (2) to draw off into savings the increased earnings of the public, and thereby (3) to provide the people with a reserve of personal savings for the post-war period, and to combat inflation.

The country-wide bond selling organization of the War Finance Division consists almost entirely of volunteers. A War Finance Committee is in operation in each State and also in the District of Columbia, Alaska, Hawaii, and Puerto Rico, under the direction of a State or Territory Chairman who serves without compensation. Working with the State Chairman are county and local volunteer committees. The national office in Washington coordinates and directs the field activity although a high degree of autonomy is enjoyed by each field unit. The national office creates the basic promotion material—pamphlets, posters, and other publicity media.

The War Finance Division is divided into three major parts, working under the National Director, who is an Assistant to the Secretary, and who is responsible for general direction of the war financing program.

The Field Division operates under the supervision of the Assistant National Director (Field Director) who is responsible for the organization and supervision of the operation of the various field officers in the States, as well as for the formulation of policies and the preparation of instructions for the guidance of the State offices in promoting the sale of Government securities. In this Division are a number of sections with more or less specialized spheres of activity. The National Organizations Section is responsible for contacting national



labor organizations, civic, fraternal, and other national groups, and interstate railroads. The Payroll Savings Section is concerned with the important task of promoting at the national level, and assisting State organizations to promote, the payroll savings plan for the installment purchase of war savings bonds. In this field has been developed a great mass selling plan which has resulted in an estimated \$15 billion in bond sales to more than 27 million workers and servicemen.

The Education Section is charged with the mobilization of schools, colleges, and youth groups into selling units, and with the creation of literature bearing on the war finance program and related subjects for classroom use.

The Motion Picture and Special Events Section supervises the production of special motion picture subjects, develops special events, and books speakers and entertainers throughout the country. This section maintains liaison with the theater and motion picture industry.

The Women's Section deals with women's organizations and produces promotional ideas and literature to serve the State women's committees.

The Agriculture Section serves farm organizations with literature bearing on the importance of bond ownership among farmers, and develops sales plans for use in rural areas.

The Retail Section creates sales plans for use in retail stores and maintains liaison associations of retailers.

The Publicity and Promotion Division, under the Director of Press, Radio and Advertising, formulates publicity and promotion campaigns for recommendation to the State committees and for use at the national level. This Division is responsible for securing the cooperation of all publicity sources; for stimulating national advertising by radio, newspapers, magazines, bill boards, and other media; and for the designing of posters, albums, pamphlets, etc., used in promoting the sale of Government securities. This Division has three sections: the Radio Section creates special radio programs, enlists contributed programs by national advertisers, edits radio scripts, and secures cooperation of the radio networks; the Newspaper Section is charged with maintaining a service of news and advertising material to 1,700 daily newspapers and nearly 10,000 weekly newspapers, and also maintains an active news desk to serve the national wire services; and the Magazine Section operates on a basis similar to the Newspaper Section in the national magazine field.

The Administrative Division, under an Assistant to the National Director, is charged with all administrative functions of the War Finance program. The functions falling within this division include personnel, equipment, space rental, contractual services, voucher audit, efficiency surveys, and the development of office procedures.

During the fiscal year there were two war loans, during which the sales of securities were confined to nonbank investors. The Sixth War Loan drive, which began November 20, 1944, had a goal of \$14 billion, and actual sales were \$21.6 billion; the Seventh Loan, which began May 14, 1945, had a goal of \$14 billion, while actual sales were 26.3 billion.

Details on savings bonds and stamps and on the payroll savings plan will be found on pages 51 to 62 and 579 to 591.

## INTERDEPARTMENTAL WAR SAVINGS BOND COMMITTEE

The Interdepartmental Committee for the Voluntary Payroll Savings Plan, established by Executive Order 9135, dated April 16, 1942, continued its work during the year in promoting the plan for the purchase of savings bonds by the civilian employees of the Government, and cooperated with the War and Navy Departments in the operation of the plan for the armed forces. The Committee also took an active part in the war loan drives by soliciting the employees for extra purchases of bonds for cash.

Federal civilian employees increased their monthly pay-roll allotments from \$52,912,000 in June 1944 to \$62,145,000 in June 1945. At the close of the fiscal year 2,420,000 civilian employees were investing 12.1 percent of their current gross pay each pay day. The popularity of this systematic method of saving continued to grow among the Federal employees, the number of Federal civilian participants having increased by 201,000 over the previous year.

During the year, the plan, originally inaugurated in the Baltimore, Md., and Washington, D. C., post offices with notable success, was made available to the employees in all divisions of the Postal Service, except third and fourth class post offices. This has resulted in an additional monthly investment of approximately \$3,000,000.

The following table shows the number of Federal civilian employees participating in the payroll savings plan, the amounts of their monthly allotments for war savings bonds, and the average monthly investment per employee.

Month	Number of Federal civilian employees participating	Monthly investments through payroll allotments	Average monthly investment per employee
1943-January .....	1,527,168	\$28,981,367	\$18.98
February .....	1,604,069	29,405,153	18.33
March .....	1,669,866	32,181,640	19.27
April .....	1,794,080	36,608,175	20.40
May .....	1,880,071	37,211,859	19.79
June .....	1,953,333	40,463,370	20.63
July .....	1,957,907	41,121,383	21.00
August .....	1,956,746	41,296,613	21.10
September .....	1,954,100	41,391,423	21.18
October .....	2,002,158	44,869,647	22.41
November .....	2,025,172	44,316,386	21.88
December .....	2,051,856	45,150,841	22.00
1944-January .....	2,044,346	45,492,984	22.25
February .....	2,081,240	47,295,991	22.72
March .....	2,145,345	50,842,113	23.70
April .....	2,152,924	49,529,445	23.01
May .....	2,148,182	49,905,968	23.23
June .....	2,219,559	52,911,784	23.84
July .....	2,268,426	54,957,558	24.23
August .....	2,248,536	54,841,076	24.39
September .....	2,227,154	54,032,312	24.26
October .....	2,213,925	53,303,200	24.08
November .....	2,226,903	53,664,855	24.10
December .....	2,236,236	57,061,830	25.52
1945-January .....	2,236,282	55,516,633	24.83
February .....	2,240,558	55,236,533	24.65
March .....	2,234,243	57,923,552	25.93
April .....	2,417,828	58,964,691	24.39
May .....	2,427,654	61,696,790	25.41
June .....	2,420,142	62,144,930	25.68

In addition to the regular monthly purchases of savings bonds through payroll savings, Federal civilian and military personnel have given full support to the war loan drives by purchasing extra bonds for cash. The following table shows the purchases through payroll allotments and for cash during the Third, Fourth, Fifth, Sixth, and Seventh War Loan drives.

[Millions of dollars]

War Loan	Civilian personnel <sup>1</sup>	Military personnel	Total
Third (Sept. 1 through Oct. 16, 1943).....	\$115.9	\$70.2	\$186.1
Fourth (January and February 1944).....	197.7	156.6	354.3
Fifth (June and July 1944).....	234.6	218.5	453.1
Sixth (November and December 1944).....	267.9	187.4	455.3
Seventh (Apr. 9 through July 7, 1945).....	438.4	261.7	700.1
Total.....	1,254.5	894.4	2,148.9

<sup>r</sup> Revised.<sup>1</sup> Figures include certain cash sales to uniformed personnel of the Navy which could not be segregated from sales to civilian personnel.

Over 4,434,000 members of the armed forces in June 1945 purchased \$87,261,000 of savings bonds through the payroll savings plan. This was an increase during the year of \$15,241,000 in the amount of monthly investments.

Total purchases of savings bonds by civilian and military personnel during the fiscal year, through payroll allotments and for cash, amounted to \$2,124,126,000, an increase of \$568,134,000 over the purchases during fiscal year 1944, and an increase of \$1,468,394,000 over the accumulated purchases through June 30, 1943.

The following table shows the payroll allotments and cash purchases of bonds by civilian and military personnel by months during 1944 and 1945 and the total purchases from the beginning of the payroll savings program.

Month	Payroll allotments		Cash purchases by civilian and military personnel	Total
	Civilian personnel	Military personnel		
Accumulated through June 30, 1943.....	\$326,441,214	\$189,189,703	\$140,101,395	\$655,732,312
<i>1943</i>				
July.....	41,121,383	28,667,170	14,208,331	83,996,884
August.....	41,296,613	30,407,485	9,867,308	81,571,406
September.....	41,391,423	35,986,378	108,629,599	186,007,400
October.....	44,869,647	35,104,020	16,010,311	95,983,978
November.....	44,316,386	37,118,274	9,880,929	91,315,589
December.....	45,150,841	48,071,404	34,614,963	127,837,208
<i>1944</i>				
January.....	45,492,984	41,105,295	46,728,852	133,327,131
February.....	47,295,991	42,625,869	131,020,435	220,942,295
March.....	50,842,113	61,067,166	13,891,019	125,800,298
April.....	49,529,445	47,900,804	12,068,581	109,498,830
May.....	49,905,968	49,928,500	11,217,322	111,051,790
June.....	52,911,784	72,019,578	63,727,484	188,658,846
Fiscal year 1944.....	554,124,578	530,001,943	471,865,134	1,555,991,655
July.....	54,957,558	48,991,399	160,497,086	264,446,043
August.....	54,841,076	50,844,767	15,472,643	121,158,486
September.....	54,032,312	73,808,742	14,508,371	142,349,425
October.....	53,303,200	48,870,163	11,476,635	113,649,998
November.....	53,664,855	47,876,361	50,339,173	151,880,389
December.....	57,061,830	79,256,640	167,051,245	303,369,715
<i>1945</i>				
January.....	55,516,633	49,753,697	20,226,577	125,496,907
February.....	55,236,533	51,071,039	13,403,763	119,711,335
March.....	57,923,552	83,371,862	13,029,091	154,324,505
April.....	58,964,691	53,639,390	21,397,845	134,001,926
May.....	61,696,790	56,944,877	49,818,160	168,459,827
June.....	62,144,930	87,260,557	175,871,823	325,277,310
Fiscal year 1945.....	679,343,960	731,689,494	713,092,412	2,124,125,866
Grand total.....	1,559,909,752	1,450,881,140	1,325,058,941	4,335,849,833

Purchases of savings bonds, through payroll allotments and for cash, by civilian and military personnel during June 1945 and accumulated purchases from the beginning of the program through June 1945 are shown in the following table at issue price.

	June 1945		Accumulated purchases from beginning of program through June 30, 1945
	Number participating	Amount of purchases	
Payroll allotments:			
Civilian personnel:			
War.....	1, 078, 863	\$27, 227, 245	\$626, 875, 690
Navy.....	645, 910	19, 178, 297	553, 265, 409
Other.....	695, 369	15, 739, 388	379, 768, 653
Subtotal.....	2, 420, 142	62, 144, 930	1, 559, 909, 752
Military personnel:			
Army.....	2, 152, 101	40, 301, 501	1, 016, 216, 934
Navy.....	2, 282, 358	46, 959, 056	434, 664, 206
Subtotal.....	4, 434, 459	87, 260, 557	1, 450, 881, 140
Cash sales:			
Post Office Department.....		13, 259, 897	215, 843, 524
War Department (civilian and military).....		59, 536, 660	581, 921, 486
Navy Department (civilian and military).....		45, 394, 720	306, 589, 828
Other.....		57, 680, 546	220, 704, 103
Subtotal.....		175, 871, 823	1, 325, 058, 941
Grand total.....	6, 854, 601	325, 277, 310	4, 335, 849, 833



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## EXHIBITS

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## PUBLIC DEBT

### Issues and redemptions of Treasury bonds, Treasury notes, and Treasury certificates of indebtedness

#### Exhibit 1

#### *Offering of $\frac{7}{8}$ percent Treasury certificates of indebtedness of Series E-1945, and allotments*

Department Circular No. 746 (Public Debt)

TREASURY DEPARTMENT,  
Washington, July 20, 1944.

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series E-1945, in exchange for Treasury certificates of indebtedness of Series D-1944, maturing August 1, 1944.

#### II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated August 1, 1944, and will bear interest from that date at the rate of  $\frac{7}{8}$  percent per annum, payable semiannually on February 1 and August 1, 1945. They will mature August 1, 1945, and will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all Federal taxes, now or hereafter imposed. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before August 1, 1944, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series D-1944, maturing August 1, 1944, which will be accepted at par, and should accompany the subscription.

#### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up

to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

D. W. BELL,  
*Acting Secretary of the Treasury.*

*Allotments of 7/8 percent Treasury certificates of indebtedness of Series E-1945 issued in exchange for maturing 7/8 percent certificates of Series D-1944*

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston.....	\$108,940,000	Minneapolis.....	\$53,744,000
New York.....	1,281,936,000	Kansas City.....	64,977,000
Philadelphia.....	66,446,000	Dallas.....	66,622,000
Cleveland.....	157,205,000	San Francisco.....	191,857,000
Richmond.....	47,884,000	Treasury.....	2,614,000
Atlanta.....	42,737,000		
Chicago.....	365,749,000	Total.....	2,510,959,000
St. Louis.....	60,248,000		

### Exhibit 2

*Call, August 14, 1944, for redemption of 4 percent Treasury bonds of 1944-54 on December 15, 1944 (press release August 14, 1944)*

The Secretary of the Treasury announced today that all outstanding 4 percent Treasury bonds of 1944-54 are called for redemption on December 15, 1944. Approximately \$1,037,000,000 of these bonds are now outstanding.

The text of the formal notice of call is as follows:

*To Holders of 4 Percent Treasury Bonds of 1944-54 and Others Concerned:*

1. Public notice is hereby given that all outstanding 4 percent Treasury bonds of 1944-54, dated December 15, 1924, are hereby called for redemption on December 15, 1944, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

TREASURY DEPARTMENT, Washington, August 14, 1944.

### Exhibit 3

*Offering of 7/8 percent Treasury certificates of indebtedness of Series F-1945 and 1 percent Treasury notes of Series A-1946 (additional), and allotments*

Certificates of indebtedness of Series F-1945. Department Circular No. 748  
(Public Debt)

TREASURY DEPARTMENT,  
Washington, August 24, 1944.

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of



the United States for certificates of indebtedness of the United States, designated  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series F-1945, in exchange for Treasury certificates of indebtedness of Series E-1944, maturing September 1, 1944.

## II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated September 1, 1944, and will bear interest from that date at the rate of  $\frac{7}{8}$  percent per annum, payable semiannually on March 1 and September 1, 1945. They will mature September 1, 1945, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

## IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before September 1, 1944, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series E-1944, maturing September 1, 1944, which will be accepted at par, and should accompany the subscription.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury notes of Series A-1946 (additional). Department Circular No. 749 (Public Debt)

TREASURY DEPARTMENT,  
*Washington, August 24, 1944.*

## I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 1 percent Treasury notes of Series A-1946, in exchange for Treasury notes of Series C-1944, or Treasury notes of Series D-1944, which mature September 15, 1944. The amount of the offering under this circular will be limited to the amount of such maturing notes tendered and accepted.

## II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the series of 1 percent Treasury notes of Series A-1946 issued pursuant to Department Circular No. 671, dated October 23, 1941; will be freely interchangeable therewith; and (with the exception that interest on the notes issued under this circular will accrue from September 15, 1944) are identical in all respects therewith, and, except that the \$1,000,000 denomination will be provided, are described in the following quotation from Department Circular No. 671:

"1. The notes will be dated November 1, 1941, and will bear interest from that date at the rate of 1 percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1946, and will not be subject to call for redemption prior to maturity.

"2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

"3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

"4. The notes will be acceptable to secure deposits of public moneys, but will not bear the circulation privilege.

"5. Bearer notes with interest coupons attached will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, and \$100,000. The notes will not be issued in registered form.

"6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes."

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before September 15, 1944, or on later allotment, and may be made only in Treasury notes of Series C-1944, or in Treasury notes of Series D-1944, maturing September 15, 1944, which will be accepted at par, and should accompany the subscription.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, JR.,  
Secretary of the Treasury.

*Allotments of ¾ percent Treasury certificates of indebtedness of Series F-1945 and 1 percent Treasury notes of Series A-1946 (additional) issued in exchange for maturing securities*

Federal Reserve district	¾ percent Treasury certificates of indebtedness of Series F-1945 exchanged for maturing ¾ percent certificates of Series E-1944	1 percent Treasury notes of Series A-1946 (additional) exchanged for—			Total subscriptions received and allotted
		Maturing 1 percent Treasury notes of Series C-1944	Maturing ¾ percent Treasury notes of Series D-1944	Total Treasury notes exchanged	
Boston.....	\$130,548,000	\$7,547,600	\$13,155,200	\$20,702,800	\$151,250,800
New York.....	2,254,848,000	139,093,600	352,792,800	491,886,400	2,746,734,400
Philadelphia.....	104,683,000	11,266,300	14,598,400	25,864,700	130,547,700
Cleveland.....	154,922,000	5,465,500	57,702,400	63,167,900	218,089,900
Richmond.....	47,248,000	95,000	7,850,000	7,945,000	55,193,000
Atlanta.....	60,060,000	373,000	3,855,000	4,228,000	64,288,000
Chicago.....	399,453,000	14,729,200	74,488,200	89,217,400	488,670,400
St. Louis.....	63,403,000	1,895,200	13,119,600	15,014,800	78,417,800
Minneapolis.....	71,765,000	976,600	8,466,300	9,442,900	81,207,900
Kansas City.....	92,976,000	2,602,700	20,448,200	23,050,900	116,026,900
Dallas.....	51,624,000	210,000	13,966,500	14,176,500	65,800,500
San Francisco.....	259,291,000	862,200	21,299,000	22,161,200	281,452,200
Treasury.....	2,716,000	300,000	616,000	916,000	3,632,000
Total.....	3,693,537,000	185,416,900	602,357,600	787,774,500	4,481,311,500

## Exhibit 4

*Offering of ⅞ percent Treasury certificates of indebtedness of Series G-1945, and allotments*

Department Circular No. 752 (Public Debt)

TREASURY DEPARTMENT,  
Washington, September 25, 1944.

## I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series G-1945, in exchange for Treasury certificates of indebtedness of Series F-1944, maturing October 1, 1944.

## II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated October 1, 1944, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on April 1 and October 1, 1945. They will mature October 1, 1945, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

## IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before October 2, 1944, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series F-1944, maturing October 1, 1944, which will be accepted at par, and should accompany the subscription.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, JR.,  
Secretary of the Treasury.*Allotments of ⅞ percent Treasury certificates of indebtedness of Series G-1945 issued in exchange for maturing ⅞ percent certificates of Series F-1944*

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston.....	\$104,639,000	Minneapolis.....	\$82,425,000
New York.....	1,894,026,000	Kansas City.....	117,005,000
Philadelphia.....	95,968,000	Dallas.....	66,992,000
Cleveland.....	176,184,000	San Francisco.....	235,674,000
Richmond.....	82,575,000	Treasury.....	2,818,000
Atlanta.....	99,139,000		
Chicago.....	441,483,000	Total.....	3,491,572,000
St. Louis.....	92,644,000		

## Exhibit 5

*Offering of 2½ percent Treasury bonds of 1966-71, 2 percent Treasury bonds of 1952-54, 1¼ percent Treasury notes of Series C-1947, and ⅞ percent Treasury certificates of indebtedness of Series H-1945, and allotments (Sixth War Loan)*

Treasury bonds of 1966-71. Department Circular No. 755 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

## I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest,

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

from the people of the United States for bonds of the United States, designated 2½ percent Treasury bonds of 1966-71. The amount of the offering is not specifically limited.

2. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits, except as follows: a commercial bank holding savings deposits or issuing time certificates of deposit (as each is defined in Regulation Q of the Board of Governors of the Federal Reserve System) may subscribe to the bonds offered hereunder, to the 2 percent Treasury bonds of 1952-54 offered simultaneously herewith under Treasury Department Circular No. 756, and to Series F-1944 and Series G-1944 United States savings bonds, under Treasury Department Circular No. 654, Second Revision, as amended, but the amount of such subscriptions shall not exceed, in the aggregate, 10 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations and other organizations not operated for profit), and of savings deposits, as shown on the bank's books as of the date of the most recent call statement required by the supervising authorities prior to the date of subscription for such bonds, or \$500,000, whichever is less, except that the aggregate amount of Series F and Series G savings bonds (Series 1944) held by such bank may not exceed the annual limitation of \$100,000 (issue price).

## II. DESCRIPTION OF BONDS

1. The bonds will be dated December 1, 1944, and will bear interest from that date at the rate of 2½ percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1971, but may be redeemed at the option of the United States on and after March 15, 1966, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury. Except as provided in section I of this circular, these bonds may not, before December 1, 1954, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before December 1, 1954, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,<sup>1</sup> *Provided:*

(a) that the bonds were actually owned by the decedent at the time of his death; and

(b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at ----- for credit on Federal estate

<sup>1</sup> An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.



taxes due from estate of -----." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;<sup>2</sup> bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full 6 months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,<sup>3</sup> properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than 6 months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be forwarded in due course by formal receipt from the Collector of Internal Revenue.

6. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, and to the limitations on commercial bank subscriptions prescribed in section I of this circular, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

### IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made on or before December 1, 1944, or on later allotment: *Provided, however,* That bonds allotted to life insurance companies, to savings institutions, and to States, municipalities, political subdivisions and similar public corporations, and agencies thereof, may be paid for, in whole or in part, at par and accrued interest, at any time or times, with payment to be completed not later than February 28, 1945. One day's accrued interest is \$0.069 per \$1,000. Any qualified depository will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.

### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>2</sup> The transfer books are closed from February 16 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

<sup>3</sup> Copies of Form PD 1782 may be obtained from any Federal Reserve bank or from the Treasury Department, Washington, D. C.

Treasury bonds of 1952-54. Department Circular No. 756 (Public Debt)

TREASURY DEPARTMENT,  
*Washington, November 20, 1944.*

#### I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2 percent Treasury bonds of 1952-54. The amount of the offering is not specifically limited.

2. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits, except as follows: A commercial bank holding savings deposits or issuing time certificates of deposit (as each is defined in Regulation Q of the Board of Governors of the Federal Reserve System) may subscribe to the bonds offered hereunder, to the 2½ percent Treasury bonds of 1966-71 offered simultaneously herewith under Treasury Department Circular No. 755, and to Series F-1944 and Series G-1944 United States savings bonds, under Treasury Department Circular No. 654, Second Revision, as amended, but the amount of such subscriptions shall not exceed, in the aggregate, 10 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations and other organizations not operated for profit), and of savings deposits, as shown on the bank's books as of the date of the most recent call statement required by the supervising authorities prior to the date of subscription for such bonds, or \$500,000, whichever is less, except that the aggregate amount of Series F and Series G savings bonds (Series 1944) held by such bank may not exceed the annual limitation of \$100,000 (issue price).

#### II. DESCRIPTION OF BONDS

1. The bonds will be dated December 1, 1944, and will bear interest from that date at the rate of 2 percent per annum, payable on a semiannual basis on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1954, but may be redeemed at the option of the United States on and after December 15, 1952, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

5. The bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to

enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, and to the limitations on commercial bank subscriptions prescribed in section I of this circular, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder must be made on or before December 1, 1944, or on later allotment: *Provided, however*, That bonds allotted to life insurance companies, to savings institutions, and to States, municipalities, political subdivisions and similar public corporations, and agencies thereof, may be paid for, in whole or in part, at par and accrued interest, at any time or times, with payment to be completed not later than February 28, 1945. One day's accrued interest is \$0.055 per \$1,000. Any qualified depository will be permitted to make payment by credit for bonds allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.

#### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury notes of Series C-1947. Department Circular No. 757 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

#### I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for notes of the United States, designated 1½ percent Treasury notes of Series C-1947. These notes will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering is not specifically limited.

#### II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1944, and will bear interest from that date at the rate of 1½ percent per annum, payable on a semiannual basis on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1947, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys.

5. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.



## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of notes applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made on or before December 1, 1944, or on later allotment. One day's accrued interest is \$0.035 per \$1,000. Any qualified depository will be permitted to make payment by credit for notes allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.

## V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury certificates of indebtedness of Series H-1945. Department Circular No. 758 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

## I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated  $\frac{3}{8}$  percent Treasury certificates of indebtedness of Series H-1945. These certificates will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering is not specifically limited.

## II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated December 1, 1944, and will bear interest from that date at the rate of  $\frac{3}{8}$  percent per annum, payable semiannually on June 1 and December 1, 1945. They will mature December 1, 1945, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after December 16, 1944. Banking insti-

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.



tutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of certificates applied for.<sup>1</sup> \* \* \*

## IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder must be made on or before December 1, 1944, or on later allotment. One day's accrued interest is \$0.024 per \$1,000. Any qualified depository will be permitted to make payment by credit for certificates allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

*Allotments of 2½ percent Treasury bonds of 1966-71, 2 percent Treasury bonds of 1952-54, 1¼ percent Treasury notes of Series C-1947, and ⅞ percent Treasury certificates of indebtedness of Series H-1945 (Sixth War Loan)*

Federal Reserve district	2½ percent Treasury bonds of 1966-71	2 percent Treasury bonds of 1952-54	1¼ percent Treasury notes of Series C-1947	⅞ percent Treasury certificates of indebtedness of Series H-1945	Total subscriptions received and allotted
Boston.....	\$250,977,500	\$697,133,000	\$136,093,000	\$199,004,000	\$1,283,207,500
New York.....	1,662,749,500	3,591,352,500	537,890,000	1,722,305,000	7,514,297,000
Philadelphia.....	138,168,500	474,498,000	88,020,000	135,612,000	836,298,500
Cleveland.....	155,956,500	399,105,500	124,336,000	283,258,000	962,656,000
Richmond.....	66,745,000	463,711,000	104,659,000	232,958,000	868,073,000
Atlanta.....	43,336,500	254,072,500	40,251,000	95,148,000	432,808,000
Chicago.....	188,687,500	827,537,500	203,222,000	952,151,000	2,171,598,000
St. Louis.....	48,274,000	168,993,500	42,952,000	106,156,000	366,375,500
Minneapolis.....	44,513,500	183,412,000	35,308,000	109,334,000	372,567,500
Kansas City.....	53,235,000	138,066,500	38,270,000	130,052,000	359,623,500
Dallas.....	33,466,500	200,409,500	36,633,000	71,451,000	341,960,000
San Francisco.....	98,367,500	423,516,000	162,145,000	356,628,000	1,040,656,500
Treasury Government investment accounts.....	744,000	269,500	113,000	1,043,000	2,169,500
Total.....	662,290,000	100,000,000	-----	300,000	762,590,000
Total.....	3,447,511,500	7,922,077,000	1,549,892,000	4,395,400,000	17,314,880,500

## Exhibit 6

*Offering of 2½ percent Treasury bonds of 1966-71 (additional), 2 percent Treasury bonds of 1952-54 (additional), 1¼ percent Treasury notes of Series C-1947 (additional), and 0.90 percent Treasury notes of Series C-1946, and allotments*

Treasury bonds of 1966-71 (additional). Department Circular No. 760 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

## I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for bonds of the United States, designated 2½ percent Treasury bonds of 1966-71, in payment of which only Treasury bonds of 1944-54, called for redemption on December 15, 1944, may be tendered. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering under this circular will be limited to the amount of Treasury bonds of 1944-54 tendered in exchange and accepted.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

## II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury bonds of 1966-71 issued pursuant to Department Circular No. 755, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 755: [Description omitted here, see p. 261.]

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest from December 1, 1944, to December 15, 1944 (\$0.966 per \$1,000) for bonds allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury bonds of 1944-54 called for redemption on December 15, 1944, which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the new bonds should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944, coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

## V. SURRENDER OF CALLED BONDS

1. *Coupon bonds.*—Treasury bonds of 1944-54 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasurer of the United States, Washington, D. C. Coupons dated June 15, 1945, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds.*—Treasury bonds of 1944-54 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 2½ percent Treasury bonds of 1966-71"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 2½ percent Treasury bonds of 1966-71 in the name of -----"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 2½ percent Treasury bonds of 1966-71 in coupon form to be delivered to -----."

## VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>1</sup> \* \* \*.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury bonds of 1952-54 (additional). Department Circular No. 761 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

## I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for bonds of the United States, designated 2 percent Treasury bonds of 1952-54, in payment of which only Treasury bonds of 1944-54, called for redemption on December 15, 1944, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury bonds of 1944-54 tendered in exchange and accepted.

## II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2 percent Treasury bonds of 1952-54 issued pursuant to Department Circular No. 756, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 756: [Description omitted here, see p. 264.]

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks, and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par and accrued interest from December 1, 1944, to December 15, 1944 (\$0.77 per \$1,000) for bonds allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury bonds of 1944-54 called for redemption on December 15, 1944; which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the new bonds should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944, coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

## V. SURRENDER OF CALLED BONDS

1. *Coupon bonds.*—Treasury bonds of 1944-54 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.

the subscription to a Federal Reserve bank or branch or to the Treasurer of the United States, Washington, D. C. Coupons dated June 15, 1945, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds.*—Treasury bonds of 1944-54 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for 2 percent Treasury bonds of 1952-54"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for 2 percent Treasury bonds of 1952-54 in the name of -----"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for 2 percent Treasury bonds of 1952-54 in coupon form to be delivered to -----."

#### VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury notes of Series C-1947 (additional). Department Circular No. 762  
(Public Debt)

TREASURY DEPARTMENT,  
*Washington, November 20, 1944.*

#### I. EXCHANGE OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with an adjustment of accrued interest as of December 15, 1944, from the people of the United States for notes of the United States, designated 1¼ percent Treasury notes of Series C-1947, in payment of which only Treasury bonds of 1944-54, called for redemption on December 15, 1944, may be tendered. The amount of the offering under this circular will be limited to the amount of Treasury bonds of 1944-54 tendered in exchange and accepted.

#### II. DESCRIPTION OF NOTES

1. The notes now offered will be an addition to and will form a part of the series of 1¼ percent Treasury notes of Series C-1947 issued pursuant to Department Circular No. 757, dated November 20, 1944, will be freely interchangeable therewith, are identical in all respects therewith, and are described in the following quotation from Department Circular No. 757: [Description omitted here, see p. 265.]

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.



trading in the securities allotted hereunder and no acquisition of such securities other than on direct subscription until after December 16, 1944. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment at par and accrued interest from December 1, 1944, to December 15, 1944 (\$0.49 per \$1,000), for notes allotted hereunder must be made or completed on or before December 15, 1944, or on later allotment. Payment of the principal amount may be made only in Treasury bonds of 1944-54 called for redemption on December 15, 1944, which will be accepted at par and should accompany the subscription. In the case of coupon bonds, payment of accrued interest on the notes should be made when the subscription is tendered and in the case of registered bonds, the accrued interest will be deducted from the amount of the check which will be issued in payment of final interest on the bonds surrendered. Final interest due December 15 on bonds surrendered will be paid, in the case of coupon bonds, by payment of December 15, 1944, coupons, which should be detached by holders before presentation of the bonds, and in the case of registered bonds, by checks drawn in accordance with the assignments on the bonds surrendered.

#### V. SURRENDER OF CALLED BONDS

1. *Coupon bonds.*—Treasury bonds of 1944-54 in coupon form tendered in payment for notes offered hereunder should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasurer of the United States, Washington, D. C. Coupons dated June 15, 1945, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds.*—Treasury bonds of 1944-54 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury notes of Series C-1947 to be delivered to \_\_\_\_\_", in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

#### VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions<sup>1</sup> \* \* \*.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup>Omitted portion similar to corresponding section of Department Circular No. 757, p. 265.

Treasury notes of Series C-1946. Department Circular No. 759 (Public Debt)

TREASURY DEPARTMENT,  
Washington, November 20, 1944.

#### I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 0.90 percent Treasury notes of Series C-1946, in exchange for Treasury certificates of indebtedness of Series G-1944, maturing December 1, 1944. The amount of the offering will be limited to the amount of such maturing certificates tendered and accepted.

#### II. DESCRIPTION OF NOTES

1. The notes will be dated December 1, 1944, and will bear interest from that date at the rate of 0.90 percent per annum, payable on a semiannual basis on July 1, 1945, and January 1, 1946. They will mature January 1, 1946, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before December 1, 1944, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series G-1944, maturing December 1, 1944, which will be accepted at par, and should accompany the subscription.

#### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve banks of the respective districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve banks.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

*Allotments of 2½ percent Treasury bonds of 1966-71 (additional), 2 percent Treasury bonds of 1952-54 (additional), 1¼ percent Treasury notes of Series C-1947 (additional), and 0.90 percent Treasury notes of Series C-1946 issued in exchange for called or maturing securities*

Federal Reserve district	2½ percent Treasury bonds of 1966-71 (additional)	2 percent Treasury bonds of 1952-54 (additional)	1¼ percent Treasury notes of Series C-1947 (additional)	0.90 percent Treasury notes of Series C-1946 exchanged for maturing ¾ percent certificates of Series G-1944	Total subscriptions received and allotted
	Exchanged for called 4 percent Treasury bonds of 1944-54				
Boston.....	\$1,887,000	\$35,428,000	\$361,000	\$141,269,000	\$178,945,000
New York.....	9,974,500	537,441,500	107,841,000	1,723,568,000	2,378,825,000
Philadelphia.....	1,510,000	16,954,000	584,000	96,992,000	116,040,000
Cleveland.....	4,567,000	27,986,000	2,345,000	134,125,000	169,023,000
Richmond.....	1,466,000	6,869,500	2,279,000	72,787,000	83,401,500
Atlanta.....	674,000	4,111,000	92,000	95,289,000	100,166,000
Chicago.....	4,329,000	81,228,500	15,283,000	435,519,000	536,359,500
St. Louis.....	2,753,500	3,966,500	5,314,000	117,369,000	129,403,000
Minneapolis.....	550,000	4,090,000	353,000	77,366,000	82,359,000
Kansas City.....	1,791,500	8,045,500	1,518,000	117,151,000	128,506,000
Dallas.....	1,154,000	2,842,000	270,000	84,540,000	88,806,000
San Francisco.....	1,511,500	8,289,500	928,000	319,236,000	329,965,000
Treasury.....	1,185,500	2,648,500	184,000	610,000	4,628,000
Total.....	33,353,500	739,900,500	137,352,000	3,415,821,000	4,326,427,000

### Exhibit 7

*Offering of ¾ percent Treasury certificates of indebtedness of Series A-1946, and allotments*

Department Circular No. 763 (Public Debt)

TREASURY DEPARTMENT,  
Washington, January 22, 1945.

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated ¾ percent Treasury certificates of indebtedness of Series A-1946, in exchange for ¾ percent Treasury certificates of indebtedness of Series A-1945, maturing February 1, 1945, or 1¼ percent Commodity Credit Corporation notes of Series G, maturing February 15, 1945. The amount of the offering under this circular will be limited to the amount of such Series A-1945 certificates and Series G notes tendered and accepted.

#### II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated February 1, 1945, and will bear interest from that date at the rate of ¾ percent per annum, payable semiannually on August 1, 1945, and February 1, 1946. They will mature February 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

#### IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before February 1, 1945, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series A-1945, maturing February 1, 1945, or in Commodity Credit Corporation notes of Series G, maturing February 15, 1945, which will be accepted at par, and should accompany the subscription. Coupons dated February 15, 1945, must be attached to the Series G notes when surrendered, and accrued interest from August 15, 1944, to February 1, 1945 (\$5.19701 per \$1,000) will be paid following acceptance of the notes.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

*Allotments of ⅞ percent Treasury certificates of indebtedness of Series A-1946, issued in exchange for maturing securities*

Federal Reserve district	⅞ percent Treasury certificates of indebtedness of Series A-1946 exchanged for maturing—		Total subscriptions received and allotted
	⅞ percent Treasury certificates of Series A-1945	1½ percent Commodity Credit Corporation notes of Series G	
Boston.....	\$186,307,000	\$6,145,000	\$192,452,000
New York.....	2,654,694,000	237,410,000	2,922,104,000
Philadelphia.....	118,026,000	8,791,000	126,817,000
Cleveland.....	129,395,000	4,546,000	133,941,000
Cincinnati.....	18,573,000	932,000	19,505,000
Pittsburgh.....	36,556,000	9,866,000	46,422,000
Richmond.....	25,684,000	2,301,000	27,985,000
Baltimore.....	27,670,000	2,820,000	30,490,000
Charlotte.....	11,230,000	61,000	11,291,000
Atlanta.....	27,751,000	2,125,000	29,876,000
Birmingham.....	8,547,000	390,000	8,937,000
Jacksonville.....	10,600,000	621,000	11,221,000
Nashville.....	19,313,000	1,662,000	20,975,000
New Orleans.....	21,150,000	1,054,000	22,204,000
Chicago.....	547,757,000	60,897,000	608,654,000
St. Louis.....	112,473,000	7,173,000	119,646,000
Minneapolis.....	54,576,000	4,705,000	59,281,000
Kansas City.....	135,036,000	11,013,000	146,049,000
Dallas.....	49,975,000	1,749,000	51,724,000
Houston.....	16,555,000	844,000	17,429,000
San Antonio.....	9,828,000	661,000	10,489,000
San Francisco.....	393,566,000	28,963,000	422,529,000
Treasury.....	3,285,000	161,000	3,446,000
Total.....	4,648,577,000	394,890,000	5,043,467,000

### Exhibit 8

*Offering of ⅞ percent Treasury certificates of indebtedness of Series B-1946, and allotments*

Department Circular No. 764 (Public Debt)

TREASURY DEPARTMENT,  
Washington, February 19, 1945.

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated ⅞ percent Treasury certificates of indebtedness of Series B-1946, in exchange for 0.90 percent Treasury notes of Series D-1945, maturing March 1, 1945, or ¾ percent Treasury notes of Series A-1945 or 1¼ percent Treasury notes of Series C-1945, both maturing March 15, 1945. The amount of the offering under this circular will be limited to the amount of such maturing notes tendered and accepted.

#### II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated March 1, 1945, and will bear interest from that date at the rate of ⅞ percent per annum, payable semiannually on September 1, 1945, and March 1, 1946. They will mature March 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

#### IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before March 1, 1945, or on later allotment, and may be made only in Treasury notes of Series D-1945, maturing March 1, 1945, or of Series A-1945 or Series C-1945, both maturing March 15, 1945, which will be accepted at par, and should accom-

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.



pany the subscription. Coupons dated March 15, 1945, must be attached to the Series A-1945 and Series C-1945 notes when surrendered, and accrued interest from September 15, 1944, to March 1, 1945 (\$3.45994 per \$1,000 in the case of the Series A-1945 notes and \$5.76657 per \$1,000 in the case of the Series C-1945 notes) will be paid following acceptance of the notes.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

*Allotments of 7/8 percent Treasury certificates of indebtedness of Series B-1946 issued in exchange for maturing Treasury notes*

Federal Reserve district	7/8 percent Treasury certificates of indebtedness of Series B-1946 exchanged for maturing Treasury notes of—			Total subscriptions received and allotted
	0.90 percent Series D-1945	3/4 percent Series A-1945	1 1/4 percent Series C-1945	
Boston.....	\$84,510,000	\$13,743,000	\$46,025,000	\$144,278,000
New York.....	935,494,000	312,885,100	883,614,900	2,131,994,000
Philadelphia.....	53,956,000	5,148,000	42,717,000	101,821,000
Cleveland.....	61,365,000	3,199,000	22,580,000	87,144,000
Cincinnati.....	7,650,000	2,730,000	6,213,000	16,593,000
Pittsburgh.....	20,553,000	3,032,000	27,626,000	51,241,000
Richmond.....	24,960,000	560,000	17,999,000	43,519,000
Baltimore.....	17,499,000	172,000	6,526,000	24,197,000
Charlotte.....	2,019,000	62,000	942,000	3,023,000
Atlanta.....	19,951,000	2,740,000	11,175,000	33,866,000
Birmingham.....	5,355,000		2,781,000	8,136,000
Jacksonville.....	10,217,000	725,000	6,821,000	17,763,000
Nashville.....	11,146,000	700,000	6,823,000	18,669,000
New Orleans.....	9,020,000	2,766,000	10,040,000	21,826,000
Chicago.....	306,013,000	53,011,300	190,174,700	549,199,000
St. Louis.....	59,673,000	15,697,800	26,665,200	102,036,000
Little Rock.....	1,595,000	11,000	367,000	1,973,000
Louisville.....	16,774,000	2,433,000	7,186,000	26,393,000
Memphis.....	4,020,000	689,000	2,994,000	7,703,000
Minneapolis.....	51,437,000	3,876,000	42,884,000	98,197,000
Kansas City.....	76,632,000	10,395,000	38,723,000	125,750,000
Dallas.....	21,400,000	2,438,000	17,478,000	41,316,000
Houston.....	23,132,000	766,000	10,514,000	34,406,000
San Antonio.....	7,200,000	1,085,000	7,193,000	15,478,000
San Francisco.....	276,593,000	52,840,000	107,075,000	436,508,000
Treasury.....	495,000	880,000	2,906,000	4,281,000
Total.....	2,108,689,000	492,578,200	1,546,042,800	4,147,310,000

### Exhibit 9

*Offering of 7/8 percent Treasury certificates of indebtedness of Series C-1946, and allotments*

Department Circular No. 765 (Public Debt)

TREASURY DEPARTMENT,  
Washington, March 22, 1945.

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 7/8 percent Treasury certificates of indebtedness of Series C-1946, in exchange for Treasury certificates of indebtedness of Series B-1945, maturing April 1, 1945.

#### II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated April 1, 1945, and will bear interest from that date at the rate of 7/8 percent per annum, payable semiannually on October 1, 1945, and April 1, 1946. They will mature April 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

## IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before April 2, 1945, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series B-1945, maturing April 1, 1945, which will be accepted at par, and should accompany the subscription.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

*Allotments of 7/8 percent Treasury certificates of indebtedness of Series C-1946 issued in exchange for maturing 7/8 percent certificates of Series B-1945*

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston.....	\$182,980,000	Chicago.....	\$522,038,000
New York.....	2,701,655,000	St. Louis.....	102,766,000
Philadelphia.....	117,552,000	Little Rock.....	5,166,000
Cleveland.....	130,652,000	Louisville.....	38,684,000
Cincinnati.....	19,947,000	Memphis.....	11,346,000
Pittsburgh.....	67,033,000	Minneapolis.....	85,487,000
Richmond.....	67,692,000	Kansas City.....	125,515,000
Baltimore.....	23,711,000	Dallas.....	53,602,000
Charlotte.....	4,435,000	Houston.....	32,543,000
Atlanta.....	43,682,000	San Antonio.....	26,188,000
Birmingham.....	11,770,000	San Francisco.....	365,556,000
Jacksonville.....	16,689,000	Treasury.....	1,258,000
Nashville.....	27,067,000		
New Orleans.....	25,480,000	Total.....	4,810,554,000

## Exhibit 10

*Offering of 7/8 percent Treasury certificates of indebtedness of Series D-1946, and allotments*

Department Circular No. 766 (Public Debt)

TREASURY DEPARTMENT,  
Washington, April 19, 1945

## I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for certificates of indebtedness of the United States, designated 7/8 percent Treasury certificates of indebtedness of Series D-1946, in exchange for Treasury certificates of indebtedness of Series D-1945, maturing May 1, 1945.

## II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated May 1, 1945, and will bear interest from that date at the rate of 7/8 percent per annum, payable semiannually on November 1, 1945, and May 1, 1946. They will mature May 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

## IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before May 1, 1945, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series D-1945, maturing May 1, 1945, which will be accepted at par, and should accompany the subscription.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

*Allotments of  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series D-1946 issued in exchange for maturing  $\frac{7}{8}$  percent certificates of Series D-1945*

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston.....	\$43,564,000	Chicago.....	\$250,805,000
New York.....	787,836,000	St. Louis.....	21,991,000
Philadelphia.....	35,717,000	Little Rock.....	114,000
Cleveland.....	42,095,000	Louisville.....	4,617,000
Cincinnati.....	13,784,000	Memphis.....	3,695,000
Pittsburgh.....	16,051,000	Minneapolis.....	29,802,000
Richmond.....	13,697,000	Kansas City.....	58,153,000
Baltimore.....	4,419,000	Dallas.....	17,849,000
Charlotte.....	3,442,000	Houston.....	14,085,000
Atlanta.....	10,022,000	San Antonio.....	7,603,000
Birmingham.....	5,324,000	San Francisco.....	168,840,000
Jacksonville.....	9,843,000	Treasury.....	3,550,000
Nashville.....	5,184,000		
New Orleans.....	7,210,000	Total.....	1,579,292,000

### Exhibit 11

*Call, May 14, 1945, for redemption of  $2\frac{3}{4}$  percent Treasury bonds of 1945-47 on September 15, 1945 (press release May 14, 1945)*

The Secretary of the Treasury announced today that all outstanding  $2\frac{3}{4}$  percent Treasury bonds of 1945-47 are called for redemption on September 15, 1945. There are now outstanding \$1,214,428,950 of these bonds.

The text of the formal notice of call is as follows:

*To Holders of  $2\frac{3}{4}$  Percent Treasury Bonds of 1945-47, and Others Concerned:*

1. Public notice is hereby given that all outstanding  $2\frac{3}{4}$  percent Treasury bonds of 1945-47, dated September 16, 1935, are hereby called for redemption on September 15, 1945, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

TREASURY DEPARTMENT, Washington, May 14, 1945.

### Exhibit 12

*Offering of 0.90 percent Treasury notes of Series D-1946, and allotments*

Department Circular No. 767 (Public Debt)

TREASURY DEPARTMENT,  
Washington, May 21, 1945.

#### I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 0.90 percent Treasury notes of Series D-1946, in exchange for  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series C-1945, maturing June 1, 1945, or Home Owners' Loan Corporation  $1\frac{1}{2}$  percent bonds of Series M-1945-47, called for redemption on June 1, 1945.

## II. DESCRIPTION OF NOTES

1. The notes will be dated June 1, 1945, and will bear interest from that date at the rate of 0.90 percent per annum, payable on a semiannual basis on January 1 and July 1, 1946. They will mature July 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

## III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

## IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before June 1, 1945, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series C-1945, maturing June 1, 1945, or in Home Owners' Loan Corporation bonds of Series M-1945-47, called for redemption on June 1, 1945, which will be accepted at par, and should accompany the subscription.

## V. SURRENDER OF CALLED BONDS

1. *Coupon bonds.*—Home Owners' Loan Corporation 1½ percent bonds of Series M-1945-47 in coupon form tendered in payment for notes offered hereunder should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasurer of the United States, Washington, D. C. Coupons dated December 1, 1945, and all coupons bearing subsequent dates should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds.*—Home Owners' Loan Corporation 1½ percent bonds of Series M-1945-47 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof to "The Secretary of the Treasury for exchange for Treasury notes of Series D-1946 to be delivered to -----," in accordance with the general regulations of the Treasury Department governing assignments for transfer or exchange, and thereafter should be presented and surrendered with the subscription to a Federal Reserve bank or branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

## VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 759, p. 272.



*Allotments of 0.90 percent Treasury notes of Series D-1946 issued in exchange for maturing or called securities*

Federal Reserve district	0.90 percent Treasury notes of Series D-1946 exchanged for—		Total subscriptions received and allotted
	Maturing $\frac{7}{8}$ percent Treasury certificates of indebtedness of Series C-1945	Called $1\frac{1}{2}$ percent Home Owners' Loan Corporation bonds of Series M-1945-47	
Boston.....	\$209,732,000	\$3,438,000	\$213,170,000
New York.....	2,346,104,000	394,206,000	2,740,310,000
Philadelphia.....	125,276,000	67,285,000	192,561,000
Cleveland.....	112,752,000	10,307,000	123,059,000
Cincinnati.....	35,903,000	2,643,000	38,546,000
Pittsburgh.....	36,091,000	3,164,000	39,255,000
Richmond.....	23,212,000	6,094,000	29,306,000
Baltimore.....	36,039,000	2,009,000	38,048,000
Charlotte.....	6,853,000	646,000	7,499,000
Atlanta.....	42,055,000	371,000	42,426,000
Birmingham.....	8,660,000	919,000	9,579,000
Jacksonville.....	14,795,000	1,625,000	16,420,000
Nashville.....	11,044,000	740,000	11,784,000
New Orleans.....	13,578,000	1,249,000	14,827,000
Chicago.....	434,354,000	63,189,000	497,543,000
St. Louis.....	72,662,000	7,299,000	79,961,000
Little Rock.....	5,055,000	613,000	5,668,000
Louisville.....	20,670,000	3,455,000	24,125,000
Memphis.....	14,714,000	64,000	14,778,000
Minneapolis.....	59,476,000	7,354,000	66,830,000
Kansas City.....	128,789,000	8,113,000	136,902,000
Dallas.....	31,325,000	2,987,000	34,312,000
El Paso.....	1,972,000	1,252,000	3,224,000
Houston.....	15,306,000	1,875,000	17,181,000
San Antonio.....	22,227,000	908,000	23,135,000
San Francisco.....	354,574,000	129,978,000	484,552,000
Treasury.....	3,889,000	807,000	4,696,000
Total.....	4,187,107,000	722,620,000	4,909,727,000

### Exhibit 13

*Offering of  $2\frac{1}{2}$  percent Treasury bonds of 1967-72,  $2\frac{1}{4}$  percent Treasury bonds of 1959-62,  $1\frac{1}{2}$  percent Treasury bonds of 1950, and  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series E-1946, and allotments (Seventh War Loan)*

Treasury bonds of 1967-72. Department Circular No. 768 (Public Debt)

TREASURY DEPARTMENT,  
Washington, May 14, 1945.

#### I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated  $2\frac{1}{2}$  percent Treasury bonds of 1967-72. The amount of the offering is not specifically limited.

2. These bonds will not be available for subscription by or for the account of others than individuals until June 18, 1945. Individuals are defined for this purpose as including partnerships (other than securities dealers and brokers) and personal trust accounts. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits.

#### II. DESCRIPTION OF BONDS

1. The bonds will be dated June 1, 1945, and will bear interest from that date at the rate of  $2\frac{1}{2}$  percent per annum, payable on a semiannual basis on December 15, 1945, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1972, but may be redeemed at the option of the United States on and after June 15, 1967, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift

or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will not be acceptable to secure deposits of public moneys before June 15, 1962. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury, except that they may not, before June 15, 1962, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits. However, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before June 15, 1962, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.<sup>1</sup> \* \* \*

### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after June 30, 1945. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

### IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder to individuals must be made on or before June 1, 1945, or on later allotment. Payment at par and accrued interest to June 18, 1945, or to date of later allotment, for bonds allotted to all others must be made on or before June 18, 1945, or on later allotment: *Provided, however,* That bonds allotted to life insurance companies, to savings institutions, and to States, municipalities, political subdivisions and similar public corporations, and agencies thereof, may be paid for, in whole or in part, at par and accrued interest, at any time or times, with payment to be completed not later than August 31, 1945. One day's accrued interest is \$0.068 per \$1,000. Any qualified depository will be permitted to make payment by credit for bonds allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury bonds of 1959-62. Department Circular No. 769 (Public Debt)

TREASURY DEPARTMENT,  
Washington, May 14, 1945.

### I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 2¼ percent Treasury bonds of 1959-62. The amount of the offering is not specifically limited.

2. These bonds will not be available for subscription by or for the account of others than individuals until June 18, 1945. Individuals are defined for this purpose as including partnerships (other than securities dealers and brokers) and personal trust accounts. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits.

### II. DESCRIPTION OF BONDS

1. The bonds will be dated June 1, 1945, and will bear interest from that date at the rate of 2¼ percent per annum, payable on a semiannual basis on December

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.

15, 1945, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature June 15, 1962, but may be redeemed at the option of the United States on and after June 15, 1959, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will not be acceptable to secure deposits of public moneys before June 15, 1952. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury, except that they may not, before June 15, 1952, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits. However, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before June 15, 1952, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.<sup>1</sup> \* \* \*

### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after June 30, 1945. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

### IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder to individuals must be made on or before June 1, 1945, or on later allotment. Payment at par and accrued interest to June 18, 1945, or to date of later allotment, for bonds allotted to all others must be made on or before June 18, 1945, or on later allotment: *Provided, however,* That bonds allotted to life insurance companies, to savings institutions, and to States, municipalities, political subdivisions and similar public corporations, and agencies thereof, may be paid for, in whole or in part, at par and accrued interest, at any time or times, with payment to be completed not later than August 31, 1945. One day's accrued interest is \$0.061 per \$1,000. Any qualified depository will be permitted to make payment by credit for bonds allotted to its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.

### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.



Treasury bonds of 1950. Department Circular No. 770 (Public Debt)

TREASURY DEPARTMENT,  
*Washington, May 14, 1945.*

#### I. OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for bonds of the United States, designated 1½ percent Treasury bonds of 1950. The amount of the offering is not specifically limited.

2. These bonds will not be available for subscription by or for the account of others than individuals, except that commercial banks may subscribe as provided in the next succeeding paragraph. Individuals are defined for this purpose as including partnerships (other than securities dealers and brokers) and personal trust accounts.

3. These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits, except as follows: A commercial bank holding savings deposits or issuing time certificates of deposit (as each is defined in Regulation Q of the Board of Governors of the Federal Reserve System) may subscribe, from June 18 to June 30, 1945 (both dates inclusive), to the bonds offered hereunder, to the ¾ percent Treasury certificates of indebtedness of Series E-1946 offered simultaneously herewith under Treasury Department Circular No. 771, and to Series F-1945 and Series G-1945 United States savings bonds, under Treasury Department Circular No. 654, Second Revision, as amended, but the amount of such subscriptions shall not exceed, in the aggregate, 10 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations and other organizations not operated for profit), and of savings deposits, as shown on the bank's books as of the date of the most recent call statement required by the supervising authorities prior to the date of subscription for such securities, or \$500,000, whichever is less, except that the aggregate amount of Series F and Series G savings bonds (Series 1945) held by such bank may not exceed the annual limitation of \$100,000 (issue price).

#### II. DESCRIPTION OF BONDS

1. The bonds will be dated June 1, 1945, and will bear interest from that date at the rate of 1½ percent per annum, payable on a semiannual basis on December 15, 1945, and thereafter on June 15 and December 15 in each year until the principal amount becomes payable. They will mature December 15, 1950, and will not be subject to call for redemption prior to maturity.<sup>1</sup> \* \* \*

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after June 30, 1945. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of bonds applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of bonds applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

#### IV. PAYMENT

1. Payment at par and accrued interest, if any, for bonds allotted hereunder to individuals must be made on or before June 1, 1945, or on later allotment. Payment at par and accrued interest to June 18, 1945, or to date of later allotment, for bonds allotted to commercial banks must be made on or before June 18, 1945, or on later allotment. One day's accrued interest is \$0.041 per \$1,000. Any qualified depository will be permitted to make payment by credit for bonds

<sup>1</sup> Omitted paragraphs 2, 3, 4, and 5 similar to corresponding paragraphs of Department Circular No. 756, p. 264.



allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.

#### V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions.<sup>2</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

Treasury certificates of indebtedness of Series E-1946. Department Circular No. 771 (Public Debt)

TREASURY DEPARTMENT,  
*Washington, May 14, 1945.*

#### I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par and accrued interest, from the people of the United States for certificates of indebtedness of the United States, designated  $\frac{7}{8}$  percent Treasury certificates of indebtedness of Series E-1946. The amount of the offering is not specifically limited.

2. These certificates will not be available for subscription by or for the account of others than individuals until June 18, 1945. Individuals are defined for this purpose as including partnerships (other than securities dealers and brokers) and personal trust accounts.

3. These certificates will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits, except as follows: A commercial bank holding savings deposits or issuing time certificates of deposit (as each is defined in Regulation Q of the Board of Governors of the Federal Reserve System) may subscribe, from June 18 to June 30, 1945 (both dates inclusive), to the certificates offered hereunder, to the  $1\frac{1}{2}$  percent Treasury bonds of 1950 offered simultaneously herewith under Treasury Department Circular No. 770, and to Series F-1945 and Series G-1945 United States savings bonds, under Treasury Department Circular No. 654, Second Revision, as amended, but the amount of such subscriptions shall not exceed, in the aggregate, 10 percent of the combined amount of time certificates of deposit (but only those issued in the names of individuals, and of corporations, associations, and other organizations not operated for profit), and of savings deposits, as shown on the bank's books as of the date of the most recent call statement required by the supervising authorities prior to the date of subscription for such securities, or \$500,000, whichever is less, except that the aggregate amount of Series F and Series G savings bonds (Series 1945) held by such bank may not exceed the annual limitation of \$100,000 (issue price).

#### II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated June 1, 1945, and will bear interest from that date at the rate of  $\frac{7}{8}$  percent per annum, payable semiannually on December 1, 1945, and June 1, 1946. They will mature June 1, 1946, and will not be subject to call for redemption prior to maturity.<sup>3</sup> \* \* \*

#### III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve banks and branches and at the Treasury Department, Washington. It is requested that there be no trading in the securities allotted hereunder and no purchases of such securities other than on direct subscription until after June 30, 1945. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve banks and the Treasury Department are authorized to act as official agencies. Others than banking institutions will not be permitted to enter subscriptions except for their own account. Subscriptions must be accompanied by payment in full for the amount of certificates applied for.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

<sup>2</sup> Omitted portion similar to corresponding section of Department Circular No. 755, p. 261.

<sup>3</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

## IV. PAYMENT

1. Payment at par and accrued interest, if any, for certificates allotted hereunder to individuals must be made on or before June 1, 1945, or on later allotment. Payment at par and accrued interest to June 18, 1945, or to date of later allotment, for certificates allotted to all others must be made on or before June 18, 1945, or on later allotment. One day's accrued interest is \$0.024 per \$1,000. Any qualified depository will be permitted to make payment by credit for certificates allotted to it for itself and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve bank of its district.<sup>1</sup> \* \* \*

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

*Allotments of 2½ percent Treasury bonds of 1967-72, 2¼ percent Treasury bonds of 1959-62, 1½ percent Treasury bonds of 1950, and ¾ percent Treasury certificates of indebtedness of Series E-1946 (Seventh War Loan)*

Federal Reserve district	2½ percent Treasury bonds of 1967-72	2¼ percent Treasury bonds of 1959-62	1½ percent Treasury bonds of 1950	¾ percent Treasury certificates of indebt- edness of Series E-1946	Total sub- scriptions received and allotted
Boston.....	\$852,245,500	\$618,832,000	\$117,696,000	\$205,907,000	\$1,794,680,500
New York.....	3,656,145,500	2,173,712,000	585,029,000	1,962,396,000	8,377,282,500
Philadelphia.....	491,281,500	302,316,500	159,548,500	200,165,000	1,153,311,500
Cleveland.....	361,873,500	324,266,000	232,335,000	312,453,000	1,230,927,500
Richmond.....	249,259,000	377,541,000	195,469,000	183,736,000	1,006,005,000
Atlanta.....	146,358,000	166,835,500	162,069,000	112,949,000	588,212,500
Chicago.....	488,010,000	489,854,000	412,291,500	947,127,000	2,337,282,500
St. Louis.....	112,276,000	80,197,500	141,367,500	135,186,000	469,027,000
Minneapolis.....	137,910,500	73,353,000	83,679,500	94,039,000	388,982,000
Kansas City.....	134,074,500	90,606,500	121,344,500	141,248,000	487,273,500
Dallas.....	105,560,500	95,452,000	202,717,000	75,860,000	479,589,500
San Francisco.....	360,842,500	290,856,500	221,263,500	428,344,000	1,301,306,500
Treasury.....	1,830,000	246,000	631,500	81,000	2,788,500
Government investment ac- counts.....	869,592,500	200,000,000	-----	-----	1,069,592,500
Total.....	7,967,260,000	5,284,068,500	2,635,441,500	4,799,491,000	20,686,261,000

## Treasury bills

## Exhibit 14

*Inviting tenders for Treasury bills dated July 6, 1944 (press release June 30, 1944)*

TREASURY DEPARTMENT,  
Washington, June 30, 1944.

The Secretary of the Treasury, by this public notice, invites tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive and fixed-price bidding as hereinafter provided. The bills of this series will be dated July 6, 1944, and will mature October 5, 1944, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve banks and branches up to the closing hour, 2 o'clock p. m., eastern war time, Monday, July 3, 1944. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than 3 decimals, e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve banks or branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of the Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve banks and branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection

<sup>1</sup> Omitted portion similar to corresponding section of Department Circular No. 746, p. 257.

thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, tenders for \$100,000 or less from any one bidder at 99.905 entered on a fixed-price basis will be accepted in full. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve bank in cash or other immediately available funds on July 6, 1944.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed, or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve bank or branch.

### Exhibit 15

*Acceptance of tenders for Treasury bills dated July 6, 1944 (press release July 4, 1944)*

TREASURY DEPARTMENT,  
Washington, July 4, 1944.

The Secretary of the Treasury announced last evening that the tenders for \$1,200,000,000, or thereabouts, of 91-day Treasury bills to be dated July 6 and to mature October 5, 1944, which were offered on June 30, were opened at the Federal Reserve banks on July 3.

The details of this issue are as follows:

Total applied for, \$2,215,011,000.

Total accepted, \$1,216,173,000 (includes \$48,741,000 entered on a fixed-price basis at 99.905 and accepted in full).

Average price, 99.905+ Equivalent rate of discount approximately 0.375 percent per annum.

Range of accepted competitive bids:

High, 99.910 Equivalent rate of discount approximately 0.356 percent per annum.

Low, 99.905 Equivalent rate of discount approximately 0.376 percent per annum.

(49 percent of the amount bid for at the low price was accepted)

Federal Reserve district	Total applied for	Total accepted
Boston.....	\$61,915,000	\$32,973,000
New York.....	1,330,840,000	677,679,000
Philadelphia.....	51,606,000	31,308,000
Cleveland.....	48,005,000	39,590,000
Richmond.....	29,845,000	26,530,000
Atlanta.....	10,355,000	7,805,000
Chicago.....	418,355,000	214,840,000
St. Louis.....	52,718,000	29,513,000
Minneapolis.....	31,035,000	25,935,000
Kansas City.....	26,980,000	23,155,000
Dallas.....	9,395,000	8,375,000
San Francisco.....	143,962,000	98,470,000
Total.....	2,215,011,000	1,216,173,000

## Exhibit 16

Press releases pertaining to Treasury bill issues during the fiscal year 1945 were similar in form to exhibits 14 and 15 and are, therefore, not here reproduced. The essential details regarding each issue are summarized in the following table.

*Summary of information contained in press releases issued in connection with Treasury bills offered during the fiscal year 1945*

Date of issue <sup>1</sup>	Date of maturity	Days to maturity	Total amount applied for <sup>2</sup> (in thousands)	Total amount accepted <sup>2</sup> (in thousands)	Tenders accepted							On fixed-price basis at 99.905 and accepted in full <sup>2</sup> (in thousands)
					On competitive bidding							
					Highest		Lowest		Amount <sup>2</sup> (in thousands)	Average		
					Price (per hundred)	Equi- valent rate <sup>3</sup> (percent)	Price (per hundred)	Equi- valent rate <sup>3</sup> (percent)		Price (per hundred)	Equi- valent rate <sup>3</sup> (percent)	
1944												
July 6.....	Oct. 5.....	91	\$2,215,111	\$1,216,273	99.910	0.356	99.905	0.376	\$1,167,432	0.375	\$48,841	
July 13.....	Oct. 13.....	92	2,042,316	99.910	.352	99.904	.376	1,149,434	.374	54,389		
July 20.....	Oct. 19.....	91	1,203,823	99.910	.356	99.905	.376	1,146,863	.375	59,726		
July 27.....	Oct. 26.....	91	2,177,438	99.910	.356	99.905	.376	1,158,210	.375	56,172		
Aug. 3.....	Nov. 2.....	91	1,214,352	99.910	.356	99.905	.376	1,156,563	.375	57,549		
Aug. 10.....	Nov. 9.....	91	2,010,374	99.910	.356	99.905	.376	1,150,267	.375	60,043		
Aug. 17.....	Nov. 16.....	91	2,001,961	99.908	.364	99.905	.376	1,143,738	.375	62,038		
Aug. 24.....	Nov. 23.....	92	1,253,776	99.908	.360	99.904	.376	1,148,069	.375	61,878		
Aug. 31.....	Nov. 30.....	91	1,851,597	99.910	.356	99.905	.376	1,153,160	.375	56,995		
Sept. 7.....	Dec. 7.....	91	1,831,584	99.908	.364	99.905	.376	1,161,916	.376	44,977		
Sept. 14.....	Dec. 14.....	91	1,762,090	99.910	.356	99.905	.376	1,151,341	.375	63,453		
Sept. 21.....	Dec. 21.....	91	2,005,362	99.910	.356	99.905	.376	1,152,479	.375	63,050		
Sept. 28.....	Dec. 28.....	91	2,088,342	99.908	.364	99.905	.376	1,161,446	.375	56,738		
1945												
Oct. 5.....	Jan. 4.....	91	2,307,953	99.908	.384	99.905	.376	1,161,898	.375	56,072		
Oct. 13.....	Jan. 11.....	90	2,196,968	99.910	.360	99.906	.376	1,253,867	.376	58,704		
Oct. 19.....	Jan. 18.....	91	2,183,869	99.909	.360	99.905	.376	1,254,140	.375	59,721		
Oct. 26.....	Jan. 25.....	91	2,356,311	99.913	.344	99.905	.376	1,254,562	.375	54,339		
Nov. 2.....	Feb. 1.....	91	2,240,896	99.913	.344	99.905	.376	1,260,591	.375	50,437		
Nov. 9.....	Feb. 8.....	91	2,314,251	99.913	.344	99.905	.376	1,261,675	.375	52,576		
Nov. 16.....	Feb. 15.....	91	2,264,423	99.910	.356	99.905	.376	1,247,678	.375	52,926		
Nov. 23.....	Feb. 23.....	91	1,932,075	99.910	.356	99.905	.376	1,262,135	.375	51,393		
Nov. 30.....	Mar. 1.....	91	2,078,535	99.910	.356	99.905	.376	1,138,585	.375	65,091		
Dec. 7.....	Mar. 8.....	91	2,061,848	99.908	.364	99.905	.376	1,137,786	.375	67,110		
Dec. 14.....	Mar. 15.....	91	1,974,792	99.908	.364	99.905	.376	1,137,786	.375	72,017		
Dec. 21.....	Mar. 22.....	91	1,934,367	99.910	.356	99.905	.376	1,134,999	.375	66,155		
Dec. 28.....	Mar. 29.....	91	2,040,847	99.910	.356	99.905	.376	1,151,013	.375	63,155		
		91	1,868,232	99.910	.356	99.905	.376	1,152,830	.375	49,432		



1945	Jan. 4	Apr. 5	91	2,465,003	1,204,947	99,908	364	99,905	376	1,153,454	99,906+	373	51,493
	Jan. 11	Apr. 12	91	2,157,434	1,302,998	99,910	356	99,905	376	1,227,082	99,905+	375	75,916
	Jan. 18	Apr. 19	91	2,198,232	1,302,604	99,915	336	99,905	376	1,229,202	99,905+	375	73,402
	Jan. 25	Apr. 26	91	2,195,034	1,318,361	99,910	356	99,905	376	1,248,420	99,905+	375	69,941
	Feb. 1	May 3	91	2,036,718	1,315,758	99,910	356	99,905	376	1,257,968	99,905+	375	57,790
	Feb. 8	May 10	91	2,027,884	1,310,176	99,910	356	99,905	376	1,252,665	99,905+	375	57,511
	Feb. 15	May 17	91	1,891,825	1,300,100	99,910	352	99,905	376	1,248,808	99,905+	375	50,292
	Feb. 23	May 24	91	1,888,028	1,308,721	99,910	360	99,906	376	1,242,711	99,906+	376	66,010
	Mar. 1	May 31	91	2,065,801	1,314,172	99,908	364	99,905	376	1,255,144	99,905+	375	39,028
	Mar. 8	June 7	91	2,436,431	1,310,168	99,915	336	99,905	376	1,249,649	99,905+	375	60,519
	Mar. 15	June 14	91	2,085,814	1,316,109	99,910	356	99,905	376	1,253,417	99,905+	375	62,692
	Mar. 22	June 21	91	2,075,162	1,302,532	99,908	364	99,905	376	1,233,942	99,905+	375	68,590
	Mar. 29	June 28	91	2,022,095	1,314,043	99,910	356	99,905	376	1,235,968	99,905+	375	60,075
	Apr. 5	July 5	91	1,842,809	1,317,065	99,908	364	99,905	376	1,271,091	99,905+	376	45,974
	Apr. 12	July 12	91	2,163,982	1,303,940	99,908	364	99,905	376	1,243,156	99,905+	375	63,184
	Apr. 19	July 19	91	2,032,134	1,318,179	99,910	356	99,905	376	1,254,995	99,905+	375	60,784
	Apr. 26	July 26	91	2,109,276	1,310,260	99,908	364	99,905	376	1,254,232	99,905+	375	56,028
	May 3	Aug. 2	91	2,048,664	1,314,334	99,910	356	99,905	376	1,264,798	99,905+	375	49,536
	May 10	Aug. 9	91	2,012,890	1,307,423	99,908	364	99,905	376	1,252,911	99,905+	375	54,512
	May 17	Aug. 16	91	2,029,886	1,307,396	99,908	364	99,905	376	1,255,058	99,905+	375	52,338
	May 24	Aug. 23	91	2,067,910	1,313,084	99,910	356	99,905	376	1,262,093	99,905+	375	50,991
	May 31	Aug. 30	91	2,043,109	1,314,469	99,910	364	99,905	376	1,263,008	99,905+	375	51,401
	June 7	Sept. 6	91	2,071,391	1,302,298	99,908	364	99,905	376	1,251,744	99,905+	375	50,534
	June 14	Sept. 13	91	2,112,772	1,309,767	99,908	364	99,905	376	1,251,455	99,905+	375	38,312
	June 21	Sept. 20	91	2,242,961	1,305,337	99,908	364	99,905	376	1,246,468	99,905+	375	58,869
	June 28	Sept. 27	91	2,236,345	1,317,766	99,908	364	99,905	376	1,253,911	99,905+	375	63,855

<sup>1</sup> The press release inviting tenders for a Treasury bill issue is dated 6 days before the date of the issue. The press release announcing the acceptance of tenders is dated 2 days before the date of the issue. The closing date on which tenders for an issue are accepted is 3 days before the date of the issue.

<sup>2</sup> Figures are final and differ in most cases from those shown in the last press release announcing the details of the particular issue.

<sup>3</sup> Bank discount basis.

<sup>4</sup> Except for 1 tender of \$10,000.

<sup>5</sup> Except for 1 tender of \$2,000,000.

## United States savings bonds

## Exhibit 17

*Sixth Revision, February 13, 1945, of Department Circular No. 530, prescribing regulations governing United States savings bonds*

TREASURY DEPARTMENT,  
Washington, February 13, 1945.

*To Owners of United States Savings Bonds, and Others Concerned:*

Department Circular No. 530, Fifth Revision, dated June 1, 1942 (31 C. F. R. 315), as amended and supplemented, is hereby further amended and issued as a sixth revision to read as follows:

## SUBPART A—APPLICABILITY

SEC. 315.1. *Applicability of regulations.*—These regulations, published for the information and guidance of all concerned, apply generally to all United States savings bonds of all series of whatever designation and bearing any issue dates whatever, except as otherwise specifically provided herein.

## SUBPART B—REGISTRATION

SEC. 315.2. *General.*—United States savings bonds are issued only in registered form. The name and post office (mailing) address of the owner, as well as the name of the coowner or designated beneficiary, if any, and the date as of which the bond is issued will be inscribed thereon at the time of issue by an authorized issuing agent.<sup>1</sup> The form of registration used must express the actual ownership of and interest in the bond and, except as otherwise specifically provided in these regulations, will be considered as conclusive of such ownership and interest. The Treasury Department will recognize no notices of adverse claims to savings bonds and will enter no stoppages or caveats against payment in accordance with the registration of the bonds. No designation of an attorney, agent, or other representative to request or receive payment on behalf of the owner, nor any restriction on the right of such owner to receive payment of the bond, other than as provided in these regulations, may be made in the registration or otherwise.

SEC. 315.3. *Restrictions.*—Only residents (whether individuals or others) of the United States (which for the purposes of this section shall include the territories, insular possessions and the Canal Zone), and the Commonwealth of the Philippine Islands,<sup>2</sup> citizens of the United States temporarily residing abroad and nonresident aliens employed in the United States by the Federal Government or an agency thereof may be named as owners, coowners or designated beneficiaries of savings bonds originally issued on or after April 1, 1940, or of authorized reissues thereof, except that such persons may name as coowners or beneficiaries of their bonds American citizens permanently residing abroad or nonresident aliens who are not citizens of enemy nations. American citizens permanently residing abroad and nonresident aliens who become entitled to bonds under these regulations, by right of survivorship or otherwise upon the death of another, will have the right only to receive payment either at or before maturity.<sup>3</sup>

SEC. 315.4. *Authorized forms of registration, Series E, and general provisions relating to their use.*

(a) *Forms of registration.*—Bonds of Series E may be registered only in the names of individuals (natural persons), whether adults or minors, in their own right in one of the following forms:

(1) One person: In the name of one person, for example:

“John A. Jones.”

(2) Two persons—coownership form: In the names of two (but not more than two) persons in the alternative as coowners, for example:

“John A. Jones OR Mrs. Ella S. Jones.”

No other form of registration establishing coownership is authorized.

(3) Two persons—beneficiary form: In the name of one (but not more

<sup>1</sup> The date of maturity is also inscribed on savings bonds of Series A, B, and D.

<sup>2</sup> Subject to the terms of Executive Order 8389, as amended, and the regulations issued thereunder. See footnote 3.

<sup>3</sup> Under the terms of Executive Order 8389, as amended, and the regulations issued thereunder, bonds may not be issued or paid to nations (as defined in said order) of blocked countries or to nationals of enemy countries, whether or not residing in the United States, unless such nationals are generally or specially licensed under the terms of the order.

than one) person, payable on death to one (but not more than one) other person, for example:

"John A. Jones, payable on death to Miss Mary E. Jones."

"Payable on death to" may be abbreviated as "p. o. d." The first person named is hereinafter referred to as the owner or registered owner, and the second person named as the beneficiary or designated beneficiary.

Treasurer of the United States as beneficiary: If it is desired that a bond revert to the United States upon the death of the owner, it may be registered in the name of the owner with the Treasurer of the United States as beneficiary. A bond so registered may not be reissued to eliminate the beneficiary. Section 315.46 (b) (2), with regard to reissue to eliminate a beneficiary with his written consent, shall not apply thereto.

(b) *General provisions relating to forms of registration.*—

(1) Names and titles.—The full name of the owner and that of the co-owner or beneficiary, if any, should be used and should be the name by which the person is ordinarily known or that under which he does business; if there are two given names the initial of one may be used, and if a person is habitually known or does business by initials only of his given names, registration may be in such form. In the case of women, the name should be preceded by "Miss" or "Mrs." and a married woman's own given name should be used, not that of her husband, for example, "Mrs. Mary A. Jones," not "Mrs. Frank B. Jones." The name may be preceded by any applicable title such as "Dr.," "Rev.," etc. The use of suffixes such as "Sr." and "Jr." is desirable whenever applicable. Suffixes such as "M. D." and "D. D." may also be used.

(2) Minors.—A minor, whether or not under legal guardianship, may be named as owner, coowner, or beneficiary on bonds purchased by another person with such person's own funds. A minor may name a coowner or beneficiary on bonds purchased by him from his wages, earnings, or other money in his possession. But bonds purchased by another person with funds already belonging to a minor should be registered in the name of the minor alone, followed by an appropriate reference if the minor is under legal guardianship, as, for example, "John Smith, a minor under legal guardianship," or "John Smith, a minor under legal guardianship of Henry C. Smith."

(3) Incompetents.—Bonds should not be registered in the name of an incompetent, who is defined for this purpose as a person under disability for reasons other than minority, unless a legal representative of his estate has been appointed. If a representative has been appointed the bonds may be registered in the name of the incompetent followed by the addition of appropriate words, for example, "Frank Jones, an incompetent under legal guardianship (or conservatorship)" or "Frank Jones, an incompetent under legal guardianship (or conservatorship) of Henry Smith."

(4) Terms.—The terms "guardian," "legal guardian," or "legal representative," as used in this subpart, refer to a guardian or representative of the estate appointed by a court or otherwise legally qualified. These terms do not refer to a voluntary or natural guardian such as a parent, including a parent to whom custody of a child has been awarded through divorce proceedings or a parent by adoption through court proceedings.

SEC. 315.5. *Authorized forms of registration, Series F and G.*—Bonds of Series F or G may be registered in the names of individuals (natural persons) in their own right as set forth in section 315.4, subject to the same conditions as therein set forth, and in the names of fiduciaries, corporations, associations and partnerships, as owners (not as coowners or beneficiaries), except as follows: (1) They may not be registered in the name of a trustee under a statute, regulation, agreement, or other instrument where the funds used represent merely security for the performance of a duty or obligation, and (2) they may be registered in the names of commercial banks, which are defined for this purpose as those accepting demand deposits, only to such extent and under such conditions as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities.<sup>4</sup> The following forms are authorized for such registration:

<sup>4</sup> Examples of official circulars governing the offering of other Treasury securities and authorizing the registration of savings bonds of Series F and G in the names of commercial banks under conditions therein specified, are Treasury Department Circulars Nos. 729, 730, 740, 741, 755, and 756. The offering circular for savings bonds of Series F and G and this circular will not hereafter be amended to include any specific provisions for the registration of such bonds in the names of commercial banks, but such provisions shall have the same force and effect as if specifically incorporated in this and in the offering circular.



(a) *Executors, administrators, guardians, etc.*—In the name of one or more executors, administrators, guardians, conservators, or other representatives of a single estate appointed by a court of competent jurisdiction or otherwise legally qualified, all of whose names must be included in the registration, followed by adequate identifying reference to the estate, for example:

“John Smith, executor of the will (or administrator of the estate) of Henry J. Smith, deceased,” or “William C. Jones, guardian (or conservator, etc.) of the estate of James D. Brown, a minor (or an incompetent).”

Bonds belonging to a trust which an executor is authorized to administer under the terms of the will, although he is not named as trustee, may be registered in accordance with the following example:

“John Smith, executor of the will of Henry J. Smith, deceased, in trust for Mrs. Jane Smith, with remainder over.”

If a guardian or other legal representative holds a common fund for the account of two or more estates or wards, bonds should be registered in the name of the representative for each such estate or ward separately, even though the representative was appointed in a single proceeding. A father or mother, as such, or as natural guardian, is not considered a fiduciary for purposes of registration.

(b) *Trustees.*—In the name and title of the trustee, or trustees, of a single duly constituted trust estate (which will be considered as an entity) substantially in accordance with the forms set forth in subparagraphs (1) to (5) including, unless otherwise indicated therein, an adequate identifying reference to the trust instrument or other authority creating the trust. In each instance the trustee, or all the trustees if there are more than one, should be designated by name and title except as provided in subparagraphs (3) to (5) and as follows: If the trustees are too numerous to be designated in the inscription by names and title, registration may be in the form, for example, “John Smith, Henry Jones, et al., trustees under the will of William C. Brown, deceased,” or “Trustees under the will of William C. Brown, deceased”; if the instrument creating the trust authorizes the trustees to act as a board, registration may be by title only, as, for example, “Trustees of the Lotus Club, Washington, Indiana, under Article X of its constitution,” or “Board of Trustees of the Lotus Club, Washington, Indiana, under Article X of its constitution.” The following forms of registration are authorized under this subsection:

(1) *Trustee under will, deed of trust, or similar instrument.*—In the name of the trustee or trustees under a will, deed of trust, agreement, or similar instrument, for example:

“John C. Brown and the First National Bank, trustees under the will of Henry C. Brown, deceased,” or “The Second National Bank, trustee under an agreement with George E. White, dated February 1, 1935.”

(2) *Trustees of pension, retirement, or similar fund.*—In the names and title, or title alone, of trustees of a pension or retirement fund or of an investment, insurance, annuity, or similar fund or trust, but in all such cases the fund will be regarded as an entity regardless of the number of beneficiaries or the manner in which their respective interests are established or determined. Segregation of individual shares as a matter of bookkeeping or as a result of individual agreements with beneficiaries or the express designation of individual shares as separate trusts will not operate to constitute separate trusts under these regulations. Such trusts will not be deemed to terminate, in whole or in part, upon the death of any person, for the purpose of redemption at par under the provisions of section 315.23 (c).

(3) *Trustees or board of trustees of lodge, church, society, or similar organization.*—In the title of the trustees or the board of trustees who hold in trust the legal title to the property of a lodge, church, society, or similar organization, followed preferably by reference to the appropriate provisions of its constitution or bylaws, for example:

“Trustees of Jamestown Lodge No. 1000, Benevolent and Protective Order of Elks, under section 10 of its bylaws”; “Trustees of the First Baptist Church, Akron, Ohio, acting as a board under section 15 of its bylaws”; or “Board of Trustees of the Lotus Club, Washington, Indiana, under Article X of its constitution.”

(4) *Public officers, corporations, or bodies as trustees.*—In the titles of public officers or the names of public corporations or public bodies acting as



trustee under express authority of law, for example:

"Sinking Fund Commission, trustee of State Highway Certificates of Indebtedness Sinking Fund, under section 5972, Code of South Carolina"; or "Warden, Illinois State Penitentiary, Joliet Branch, Trustee of Inmates' Amusement Fund, under Chapter 23, sections 34a and 34b, Illinois Revised Statutes, 1941."

(5) School officers as trustees for benefit of student body, etc.—In the title of a principal or other officer of a public, private or parochial school, as trustee for the benefit of the student body, or a class, group or activity thereof, for example:

"Principal, Western High School, in trust for Class of 1945 Library Fund."

A written agreement of trust will not be required if the amount to be purchased does not exceed \$250 (maturity value).

(c) *Private organizations (corporations, associations, partnerships, etc.)*.—In the name of any private organization (for commercial banks see section 315.5), using in each case the full legal name of the organization without mention of any officer or member by name or title, but making reference, if desired, to a particular book account or fund (not a trust), as follows:

(1) A corporation.—A business, fraternal, religious, or other private corporation, followed, preferably, by the words "a corporation" (unless the fact of incorporation is shown in the name), for example:

"Smith Manufacturing Company, a corporation"; or "Jones and Brown, Inc."

(2) An unincorporated association.—An unincorporated lodge, society, or similar self-governing association, followed, preferably, by the words "an unincorporated association," for example, "The Lotus Club, an unincorporated association." The term "an unincorporated association" should not be used to describe a trust fund, a partnership or a business conducted under a trade name.

(3) A partnership.—A partnership, considered as an entity, followed by the words "a partnership," for example:

"Smith and Brown, a partnership," or "Aeme Novelty Company, a partnership."

(4) Other organizations.—A church, hospital, home, school, or similar institution, regardless of the manner in which it is organized or governed or title to its property is held, for example:

"Shriners' Hospital for Crippled Children, St. Louis, Missouri," "St. Mary's Roman Catholic Church, Albany, New York," or "Rodeph Shalom Sunday School, Philadelphia, Pennsylvania."

(d) *States and public corporations*.—In the full legal name or title of the owner or custodian of public funds, other than trust funds, as follows:

(1) Any sovereignty, as a State, or any public corporation, as a county, city, town, or school district, for example:

"State of Maine," or "Town of Rye, New York."

(2) Any board, commission or other public body duly constituted by law, for example:

"Maryland State Highway Commission."

(3) Any public officer designated by title only, for example:

"Treasurer, City of Chicago."

Registration may include reference to a particular bookkeeping account, if desired.

SEC. 315.6. *Unauthorized registration*.—Savings bonds inscribed in a form not substantially in agreement with those authorized by this subpart will not be considered as validly issued and will be accepted only for a refund of the purchase price, except in those cases in which reissue can be made under the provisions of these regulations.

SEC. 315.7. *Forms of registration on reissue*.—Bonds reissued under the provisions of these regulations may be issued in any form of registration permitted by the regulations in effect on the date of original issue, with respect to bonds of that series.

#### SUBPART C—LIMITATION ON HOLDINGS

SEC. 315.8. *Amount which may be held*.—As provided by section 22 of the Second Liberty Bond Act, as added February 4, 1935 (U. S. C. 1940 Ed., title 31,

sec. 757c), and by regulations prescribed by the Secretary of the Treasury pursuant to the authority of that section, as amended by the Public Debt Act of 1941, 55 Stat. 7, the amounts of savings bonds of the several series issued during any one calendar year that may be held by any one person at any one time are limited as follows:

(a) *Series A, B, C, and D.*—\$10,000 (maturity value) of each series for each calendar year.

(b) *Series E.*—\$5,000 (maturity value) for each calendar year.

(c) *Series F and G.*—\$50,000 (issue price) for the calendar year 1941, and \$100,000 (issue price) for each calendar year thereafter, of either series or of the combined aggregate of both, except that, in the case of commercial banks authorized to acquire such bonds in accordance with section 315.5, the limitation shall be such as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities, but in no event in excess of \$100,000 (issue price) for any calendar year.

SEC. 315.9. *Calculation of amount.*—In computing the amount of savings bonds of any one series issued during any one calendar year held by any one person at any one time for the purpose of determining whether the amount is in excess of the authorized limit as set forth in the next preceding section, the following rules shall govern:

(a) The term "person" shall mean any legal entity, including but not limited to an individual, a partnership, a corporation (public or private), an unincorporated association or a trust estate, and the holdings of each person, individually and in a fiduciary capacity, shall be computed separately.

(b) In the case of bonds of Series A, B, C, D, and E, the computation shall be based upon maturity values. In the case of bonds of Series F and G, the computation shall be based upon issue prices.

(c) Except as provided in subsection (d), there must be taken into account:

(1) All bonds originally issued to and registered in the name of that person alone; (2) all bonds originally issued to and registered in the name of that person as coowner or reissued, at the request of the original owner, to add the name of that person as coowner or to designate him as coowner instead of as beneficiary under the provisions of this circular, except that the amount of bonds of Series E held in coownership form may be applied to the holdings of either of the coowners, but will not be applied to both, or the amount may be apportioned between them; and (3) all bonds acquired by him before March 1, 1941, upon the death of another or the happening of any other event.

(d) There need not be taken into account: (1) Bonds of which that person is merely the designated beneficiary; (2) those in which his interest is only that of a beneficiary under a trust; or (3) those to which he is entitled as surviving designated beneficiary upon the death of the registered owner, as an heir or legatee of the deceased registered owner, or by virtue of the termination of a trust or the happening of any other event, unless he became entitled to any such bonds in his own right before March 1, 1941; or (4) with respect to bonds of Series E, those purchased with the proceeds of matured bonds of Series A, where the Series A bonds were presented by an individual (natural person in his own right) owner or coowner for that purpose and the Series E bonds are registered in his name in any form of registration authorized for that series.

(e) Nothing herein contained shall be construed to invalidate any holdings within or, except as provided in subsection (c) above, to validate any holdings in excess of, the authorized limits, as computed under the regulations in force at the time such holdings were acquired.

SEC. 315.10. *Disposition of excess.*—If any person at any time acquires savings bonds issued during any one calendar year in excess of the prescribed amount, the excess must be immediately surrendered for refund of the purchase price, less (in the case of Series G bonds) any interest which may have been paid thereon, or for such other adjustment as may be possible.

#### SUBPART D—LIMITATION ON TRANSFER AND JUDICIAL PROCEEDINGS

SEC. 315.11. *Not transferable.*—Savings bonds are not transferable and are payable only to the owners named thereon, except in case of the disability or death of the owner, authorized reissue, or as otherwise specifically provided in this subpart, but in any event only in accordance with the provisions of these regulations. A savings bond may not be hypothecated or pledged as collateral for a loan or used as security for the performance of an obligation, except as provided in section 315.12.

SEC. 315.12. *Pledge with the Secretary of the Treasury or Federal Reserve Banks.*—A savings bond may be pledged by the registered owner in lieu of surety under the

provisions of Department Circular No. 154, amended, if the bond approving officer is the Secretary of the Treasury, in which case an irrevocable power of attorney shall be executed authorizing the Secretary of the Treasury to request payment. A savings bond may also be deposited as security with a Federal Reserve bank under the provisions of Department Circular No. 657 by an institution certified under that circular as an issuing agent for savings bonds of Series E.

SEC. 315.13. *Judicial proceeding (judgment creditors, trustees in bankruptcy, receivers of insolvents' estates, and conflicting claimants).*—A claim against an owner or coowner of a savings bond and conflicting claims as to ownership of or interest in such bond as between coowners or the registered owner and a designated beneficiary, will be recognized when established by valid judicial proceedings and payment or reissue will be made, upon presentation and surrender of the bond, except as follows:

(1) No such proceedings will be recognized if they would give effect to an attempted voluntary transfer inter vivos of the bond or would defeat or impair the rights of survivorship conferred by these regulations upon a surviving coowner or beneficiary.

(2) A judgment creditor, a trustee in bankruptcy, or a receiver of an insolvent's estate will have the right to payment (but not to reissue) and a judgment creditor will be limited to payment at the redemption value current thirty days after the termination of the judicial proceedings or current at the time the bond is received, whichever is smaller.

(3) If a debtor, or bankrupt, or insolvent, is not the sole owner of the bond, payment will be made only to the extent of his interest therein, which must be determined by the court or otherwise validly established.

A divorce decree ratifying or confirming a property agreement between husband and wife or otherwise settling their respective interests in savings bonds, will be recognized and will not be regarded as a proceeding giving effect to an attempted voluntary transfer for the purpose of this section.

SEC. 315.14. *Evidence necessary.*—To establish the validity of judicial proceedings there must be submitted a certified copy of the judgment or decree of court and of any necessary supplementary proceedings, as well as a certificate from the clerk of the court, under the court's seal, showing that the judgment or decree is in full force and effect. A trustee in bankruptcy should submit proof of his authority in the form of a certificate from the referee showing that he is the duly elected and qualified trustee, together with a certificate from the clerk of the United States District Court of the particular district, under seal, showing the incumbency of the referee and authenticating his signature.

SEC. 315.15. *Notice of pending proceedings not accepted.*—Neither the Treasury Department nor any agency for the issue, reissue, or redemption of savings bonds will accept notices of adverse claims or of pending judicial proceedings or undertake to protect the interests of litigants who do not have possession of the bonds.

#### SUBPART E—SAFEKEEPING FACILITIES

SEC. 315.16. *Safekeeping of bonds.*—A savings bond will be held in safekeeping, without charge, by the Secretary of the Treasury if the holder so desires. In such connection the Secretary will utilize the facilities of the Federal Reserve banks, as fiscal agents of the United States,<sup>5</sup> and those of the Treasurer of the United States. Application forms for safekeeping may be secured from postmasters, Federal Reserve banks or the Treasury Department.

#### SUBPART F—LOST, STOLEN, MUTILATED, DEFACED OR DESTROYED BONDS

SEC. 315.17. *Relief in case of loss, etc., by owner.*—Under the provisions of section 8, 50 Stat. 481, as amended (U. S. C. 1940 Ed., title 31, sec. 738a), relief either by the issue of a substitute bond or by payment may be given in case of the loss, theft, destruction, mutilation, or defacement of a savings bond after receipt by the owner or his representative. In any such case immediate notice of the facts, together with a complete description of the bond (including series, year of issue, serial number, and name and address of the registered owner) should be given to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill. That division will thereupon furnish an appropriate form and full instructions for presenting the evidence necessary to secure relief under the law and the regulations as contained in Department Circular No. 300, as amended. If such bond is subsequently recovered, immediate notice of such recovery should be given to the Division of Loans and Currency (at the address above) in order that delay may be avoided upon a later presentation of the bond for payment or authorized reissue.

<sup>5</sup> Safekeeping facilities may be offered at some branches of Federal Reserve banks, and in such connection an inquiry may be addressed to the branch.



SEC. 315.18. *Relief in case of nonreceipt.*—If a savings bond, on original issue or on reissue, is not received from the issuing agent or agency by the registered owner or other person to whom the bond was to be delivered, the issuing agent or agency should be notified as promptly as possible and given all the information available in regard to the transaction. Appropriate instructions and forms, if necessary, will then be furnished the owner reporting nonreceipt.

#### SUBPART G—INTEREST

SEC. 315.19. *General.*—United States savings bonds are issued in two forms: (1) Appreciation bonds, issued on a discount basis and redeemable before maturity at increasing fixed redemption values; and (2) current income bonds, bearing interest payable semiannually and redeemable before maturity at fixed redemption values less than the face amount of the bond. At present Series G constitutes the only issue of current income savings bonds.

SEC. 315.20. *Appreciation bonds.*—No interest as such is paid on savings bonds issued on a discount basis. Such bonds increase in redemption value at the end of the first year from issue date and at the end of each successive half-year period thereafter until their maturity, when the full amount becomes payable. The increment in value represents interest and is payable only on redemption of the bonds, whether at or before maturity.

SEC. 315.21. *Current income bonds.*—Each such bond bears interest at a specified rate computed on the face amount of the bond and payable semiannually, beginning 6 months from issue date. Except for redemption at par as provided in section 315.23 (c) of subpart H, full advantage of interest at the rate specified may be secured only if the bonds are held to maturity; if bonds are redeemed before maturity at current redemption values the difference between the face or full maturity value and the current redemption value then payable in accordance with the table printed on each bond will represent an adjustment of interest for the rate appropriate for the shorter term, as set forth in the tables attached to the circular announcing the issue of such bonds.

(a) *Method of interest payments.*—Interest due on a current income bond will be paid on each interest payment date by check drawn to the order of the person or persons in whose name the bond is inscribed, in the same form as their names appear in the inscription on the bond, except that in the case of a bond registered in the form "A, payable on death to B," the check will be drawn to the order of A alone until the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., receives notice of A's death, from which date the payment of interest will be suspended until such time as the bond is presented for payment or reissue. Interest so withheld will be paid to the person found to be entitled to the bond. Checks issued in payment of interest on a bond registered in the names of coowners will be drawn to the order of "A or B" and will be mailed to the address of record of the payee first named unless otherwise specifically directed or until the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., receives notice of his death. Upon receipt of notice of the death of the coowner to whom interest is being mailed the interest will be mailed to the other coowner, if living or, if not will be held pending the receipt of evidence on the estate of the last surviving coowner.

(b) *Change of address.*—An owner or coowner of current income bonds should promptly notify the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., of any change in address for delivery of interest checks. The notice should refer to all bonds for which it is desired that the address be changed and should describe each bond by date, serial number, series (including years of issue) and inscription appearing on the face of the bond.

(c) *Reissue during interest period.*—If a current income bond is reissued for any reason between interest payment dates, interest for the entire period will be paid, on the next interest payment date, by check drawn to the order of the person in whose name the bond is reissued. Ordinarily, if a bond is received for reissue less than 1 month prior to an interest payment date, reissue cannot be effected until after such interest payment date.

(d) *Termination of interest.*—In case of redemption prior to maturity, interest on current income bonds will cease on the last day of the interest period next preceding the date of redemption. For example, if a bond on which interest is payable on January 1 and July 1 is redeemed on September 1, 1945, interest will cease on July 1, 1945, and no adjustment will be made on account of the failure to receive interest for the period from July 1 to September 1, 1945. In case of authorized reissue in another form of registration, the interest on the original



bond will cease on the last day of the interest period next preceding the date of reissue and interest on the new bond will begin on the following day. The same rules shall apply in case of partial redemption or partial reissue with respect to the amount redeemed or reissued.

(e) *Consolidation of accounts.*—Whenever possible the accounts for all current income bonds of a single series on which interest is payable on the same dates, held by any one person, will be consolidated, and a single check will be issued on each interest payment date for interest on all such bonds. For example, if one person is the sole registered owner of bonds bearing issue dates of January 1 and July 1, and all the bonds are registered in exactly the same name with the same address, the interest payable on the first interest payment date following the date of the last purchase will be computed on the aggregate amount of both purchases.

(f) *Endorsement of checks.*—Interest checks must be endorsed by the payee, either personally or by an attorney in fact, in accordance with the requirements of the Treasurer of the United States. A form for the appointment of such attorney may be obtained from the Treasurer of the United States or from any Federal Reserve bank. In case of the death of the payee, the check may be endorsed by the legal representative, if any, of his estate. If no legal representative has been or is to be appointed, and if the amount due from the United States does not exceed \$500, the Treasurer of the United States, Washington 25, D. C., or a Federal Reserve bank, will, upon request, furnish special instructions.

(g) *Nonreceipt or loss of check.*—If an interest check is not received or is lost after receipt, the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., should be notified of the facts and should be given information concerning the amount, number, and inscription of the bonds, as well as a description of the check, if possible, in case of loss after the check is received. Upon receipt of this information appropriate instructions will be given.

#### SUBPART H—GENERAL PAYMENT AND REDEMPTION PROVISIONS

SEC. 315.22. *Payment at maturity.*—Pursuant to its terms, a savings bond of any series will be paid at or after maturity at its full face or maturity value, but only following presentation and surrender of the bond for that purpose. Unless presented by an individual owner or coowner to an incorporated bank or trust company or other paying agent, as provided (for bonds of Series A to E only) in section 315.29, the request for payment must be duly signed and certified as provided herein.

SEC. 315.23. *Redemption before maturity.*—Pursuant to its terms, a savings bond may not be called for redemption by the Secretary of the Treasury prior to maturity, but may be redeemed in whole or in part at the option of the owner, prior to maturity, under the terms and conditions set forth in the offering circular of each series and in accordance with the provisions of these regulations following presentation and surrender as provided in this subpart.

(a) *Series A, B, C, D, and E.*—A bond of Series A, B, C, D, or E will be redeemed in whole or in part at any time after 60 days from the issue date without advance notice, at the appropriate redemption value as shown in the table printed on the bonds.

(b) *Series F and G.*—A bond of Series F or G will be redeemed in whole or in part, on 1 month's notice in writing, on the first day of any month not less than 6 months from the issue date, at the appropriate redemption value as shown in the table printed on the bond. The owner's option to redeem may be shown by a signed request for payment or by express written notice, and payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice by the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., or a Federal Reserve bank. For example, if the request or notice is received on June 15, the effective redemption date will be August 1. If express notice is given, the bond must be surrendered to the same agency to which the notice is given not less than 20 days before the effective redemption date. (See sec. 315.21 for provisions as to interest in case current income bonds are redeemed prior to maturity.)

(c) *Series G—Redemption at par before maturity.*—A bond of Series G (but not of Series F) will be redeemed at par before maturity in whole or in part, in amounts corresponding with authorized denominations, not less than 6 months from the issue date, (1) upon the death of an owner or coowner, if a natural person, or (2) upon the termination of a trust or other fiduciary estate by reason of the death of any person, if held by the trustee or other fiduciary, except that if the trust

or fiduciary estate is terminated only in part, redemption at par will be made to the extent of not more than the pro rata portion of the trust or fiduciary estate so terminated. Redemption will be made only following actual receipt of written notice of intention to redeem *at par*. Such notice must be given in time to be received in the ordinary course of mail by the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., or a Federal Reserve bank within 6 months after the date of death of the owner or coowner or person whose death results in the termination of the trust or other fiduciary estate, unless the period within which notice must be received is extended in accordance with the provisions of this subsection. Proof of the date of death must be furnished and the bond must be surrendered to the same agency to which notice of intention to redeem *at par* is given, but they need not accompany such notice. Ordinarily, payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice, but payment may be postponed, upon request of the person presenting the bond, to the second interest payment date following the date of death, except as follows: If the period within which notice must be received is extended beyond such interest payment date, in accordance with the provisions of this subsection, and notice received thereafter is accepted, the effective redemption date may, upon request, be postponed to the next interest payment date following the date of receipt of notice. The period within which notice must be received may be extended in any particular case upon presentation of satisfactory proof that notice could not seasonably be given by reason of litigation or delay in the appointment of a legal representative of the estate or in the receipt of notice of death.

SEC. 315.24. *Form and execution of requests for payment.*—Requests for payment of savings bonds, unless otherwise authorized in a particular case, must be executed on the form appearing on the back of the bond to be surrendered. Unless otherwise specifically requested, payment, pursuant to a duly executed request, will be made on the earliest day consistent with these regulations.

(a) *Date of request.*—Ordinarily, requests executed more than 6 months before the date of receipt of a bond for payment will not be accepted.

(b) *Identification and signature of owner.*—The registered owner in whose name the bond is inscribed, or such other person as may be entitled to payment under the provisions of these regulations, must appear before one of the officers authorized to certify requests for payment (see sec. 315.25), establish his identity and in the presence of such officer sign the request for payment in ink, adding in the space provided the address to which the check issued in payment is to be mailed. A signature made by mark (X) must be witnessed by at least one person in addition to the certifying officer and must be attested by endorsement in the blank space, substantially as follows: "Witness to the above signature by mark," followed by the signature and address of the witness. If the name of the registered owner or other person entitled to payment, as it appears in the registration or in evidence on file at the Treasury Department, Division of Loans and Currency, has been changed by marriage or in any other legal manner, the signature to the request for payment should show both names and the manner in which the change was made, for example, "Miss Mary T. Jones, now by marriage Mrs. Mary T. Smith," or "Jung Smelt, now by court order John Smith." In case of a change of name other than by marriage the request should be supported by satisfactory proof of such change, unless already on file. No request signed in behalf of the owner or person entitled to payment by an agent or a person acting under a power of attorney will be recognized by the Treasury Department except as provided in section 315.12.

(c) *Certification of request.*—After the request for payment has been signed by the owner the certifying officer should complete and sign the certificate appearing at the end of the form for request for payment, and the bond should then be presented and surrendered as provided in section 315.28.

SEC. 315.25. *Certifying officers.*—The following officers are authorized to certify requests for payment:

(a) *At United States post offices.*—Any postmaster, acting postmaster, or inspector in charge, or other post office official or clerk heretofore or hereafter designated for the purpose. One or more of these officials will be found at every United States post office, classified branch or station. A post office official or clerk other than a postmaster, acting postmaster, or inspector in charge, should certify in the name of the postmaster or acting postmaster, followed by his own signature and official title, for example, "John Doe, postmaster, by Richard Roe, postal cashier." Signatures of these officers should be authenticated by a legible imprint of the post office dating stamp.

(b) *At banks, trust companies, and branches.*—Any officer of any bank or trust company incorporated in the United States or its organized territories, or domestic or foreign branch of such bank or trust company, including those doing business in the organized territories or insular possessions of the United States and the Commonwealth of the Philippines under Federal charter or organized under Federal law, Federal Reserve banks, Federal land banks, and Federal home loan banks; any employee of any such bank or trust company expressly authorized by the corporation for that purpose, who should sign over the title "Designated employee"; and Federal Reserve agents and assistant Federal Reserve agents, located at the several Federal Reserve banks. Certifications by any of these officers or designated employees should be authenticated by either a legible impression of the corporate seal of the bank or trust company or, in the case of banks or trust companies and their branches which are authorized and duly qualified issuing agents for bonds of Series E, by a legible imprint of the issuing agent's dating stamp.

(c) *Issuing agents not banks or trust companies.*—Any officer of a corporation not a bank or trust company, and of any other organization, which is a duly qualified issuing agent for bonds of Series E. All certifications by such officers must be authenticated by a legible imprint of the issuing agent's dating stamp.

(d) *Commissioned officers and warrant officers of armed forces.*—Commissioned officers and warrant officers of the United States Army, Navy, Marine Corps, and Coast Guard, but only for members (and the families of members) of their respective services and civilian employees at posts or bases or stations (such certifying officer should indicate his rank and state that the person signing the request is one of the class whose requests he is authorized to certify).

(e) *United States officials.*—Judges, clerks, and deputy clerks of United States courts, including United States courts for the organized territories, insular possessions, and the Canal Zone; United States Commissioners; United States attorneys; United States collectors of customs and their deputies; United States collectors of internal revenue and their deputies; the officer in charge of any home, hospital, or other facility of the Veterans' Administration, but only for patients and members of such facilities; certain officers of Federal penal institutions designated for that purpose by the Secretary of the Treasury and certain officers of the United States Public Health Service Hospitals at Lexington, Ky., and at Fort Worth, Tex., and of United States Marine Hospitals at Fort Stanton, N. Mex., and Carville, La., designated for that purpose by the Secretary of the Treasury (in each case, however, only for inmates or employees of the institution involved).

(f) *Officials authorized in particular localities.*—Certain officers in the Treasury Department; the Governors and Treasurers of Hawaii, Puerto Rico, and Alaska; the Governor and Commissioner of Finance of the Virgin Islands; the Governors and Administrative Naval and Marine officers of Guam and American Samoa; the Governor, paymaster or acting paymaster, and collector or acting collector of the Panama Canal; postmasters and acting postmasters in the Bureau of Posts of the Canal Zone; the United States High Commissioner to the Commonwealth of the Philippines, his executive assistant, and the chief clerk in his office, the Treasurer of the Commonwealth and the city treasurers of Manila and Baguio, and judges and clerks of courts of record of the Commonwealth whose signatures and official positions are certified by the Secretary of Justice.

(g) *In foreign countries.*—In a foreign country requests for payment may be signed in the presence of and be certified by any United States diplomatic or consular representative, or manager or other officer of a foreign branch of a bank or trust company incorporated in the United States, whose signature is attested by an impression of the corporate seal or is certified to the Treasury Department. If such an officer is not available, requests for payment may be signed in the presence of and be certified by a notary or other officer authorized to administer oaths, but his official character and jurisdiction should be certified by a United States diplomatic or consular officer under seal of his office.

(h) *Special provisions.*—In the event none of the officers authorized to certify requests for payment of savings bonds is readily accessible, the Commissioner of the Public Debt, the Deputy Commissioner of the Public Debt in Charge of the Chicago Office, or a Federal Reserve bank, is authorized to make special provision for any particular case.

SEC. 315.26. *General instructions to certifying officers.*—Certifying officers should require positive identification of the person signing a request for payment and will be held fully responsible therefor. In all cases a certifying officer must affix to the certification his official signature, title, address, and seal, or dating stamp,



and the date of execution. Officers of Veterans' facilities, Public Health Service Hospitals, Marine Hospitals, and Federal penal institutions, should use the seal of the particular institution or service, where such seal is available. If a certifying officer, other than a post office official, officer of a bank or trust company, or officer of an issuing agent, does not possess an official seal, that fact should be made known and attested.

SEC. 315.27. *Interested person not to certify.*—No person authorized to certify requests for payment may certify a request for payment of a bond of which he is the owner, or in which he has an interest, either in his own right or in any representative capacity.

SEC. 315.28. *Presentation and surrender—all series.*—Except for cases coming within the provisions of section 315.29, after the request for payment has been duly signed by the owner and certified as above provided, the bond should be presented and surrendered, if a bond of Series F or G to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., or, if a bond of any other series, to a Federal Reserve bank or to the Treasurer of the United States, Washington 25, D. C. Usually payment will be expedited by surrender to a Federal Reserve bank. In all cases presentation will be at the expense and risk of the owner, and, for his protection, the bond should be forwarded by registered mail if not presented in person. Payment will be made by check drawn to the order of the registered owner or other person entitled and mailed to him at the address given in his request for payment.

SEC. 315.29. *Optional procedure limited to bonds of Series A to E, inclusive, in names of individual owners or coowners only.*—An individual (natural person) whose name is inscribed on the face of a bond of Series A, B, C, D, or E, either as owner or coowner in his own right, may present such bond (unless marked "DUPLICATE") to any incorporated bank or trust company or any other organization qualified as a paying agent under the provisions of Department Circular No. 750 or any amendment thereto. If such bond is in order for payment by the paying agent, the owner or coowner, upon establishing his identity to the satisfaction of the paying agent and upon signing the request for payment and adding his home or business address, may receive immediate payment at the current redemption value, if the bond is presented prior to maturity, or at full maturity value if presented at or after maturity. Even though the request for payment has been signed, or signed and certified prior to the presentation of the bond, nevertheless the paying agent is required to establish to its satisfaction the identity of the owner or coowner requesting payment and such paying agent may require the owner or coowner to sign again the request for payment. No charge will be made to the owner. This method of presentation is authorized notwithstanding the provisions of Treasury Department Circulars Nos. 529, 554, 571, 596, and 653, all as supplemented, amended, or revised, and notwithstanding any instructions which may be printed on the bond and is optional with individual owners. Bonds of Series A, B, C, D, or E requiring documentary evidence to support redemption, or presented for partial redemption, and bonds of Series F and G, are not eligible for payment at these paying agencies.

SEC. 315.30. *Partial redemption.*—A savings bond of any series in a denomination greater than \$25 (maturity value) may be redeemed in part at current redemption value but only in amounts corresponding to authorized denominations of not less than \$25 (maturity value), upon presentation and surrender of the bond to a Federal Reserve bank or to the Treasurer of the United States, or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., all in accordance with this subpart. Partial redemption may not be effected at incorporated banks or trust companies. In any case in which partial redemption is authorized, before the request for payment is signed there should be added to the first sentence of the request the words "to the extent of \$----- (maturity value), and reissue of the remainder." Upon partial redemption of the savings bond the remainder will be reissued as of the original date as provided in subpart I. For payment of interest on bonds of Series G in case of partial redemption, see subpart G.

SEC. 315.31. *Nonreceipt or loss of checks issued in payment.*—In case a check in payment of a bond surrendered for redemption is not received within a reasonable time, or in case such check is lost after receipt, notice should be given to the same agency to which the bond was surrendered for payment, accompanied by a description of the bond by series, denomination, serial number and registration. The notice should state whether or not the check was received and should give the date upon which the bond was forwarded. Instructions will be given as to



the necessary procedure to secure a duplicate. It should be borne in mind, in connection with bonds of Series F and G, that payment is made only on the first day of a calendar month and only after at least one full calendar month following actual receipt of the notice of intention to redeem, and a check cannot be expected until that time.

#### SUBPART I—GENERAL REISSUE AND DENOMINATIONAL EXCHANGE

SEC. 315.32. *General.*—Reissue of a savings bond will be restricted to a form of registration permitted by the regulations in effect on the date of original issue of the bond and will be made only upon surrender of the bond and only in accordance with the provisions of these regulations. Reissue of a savings bond in a different name or in a different form of registration will be made only in the following instances:

(a) To correct an error in the original issue, upon appropriate request, supported by satisfactory proof of such error unless the error was made by the issuing agent.

(b) To show a change in the name of an owner, coowner or designated beneficiary, upon his request, supported by satisfactory proof of the change of name if for any reason other than marriage.

(c) As otherwise specifically provided in these regulations.

SEC. 315.33. *Requests for reissue.*—Requests for reissue should be made on appropriate forms, which may be obtained from any Federal Reserve bank or from the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., and should be signed by the persons authorized under these regulations to make such requests. If the request is by reason of a change of name, the signature should show both names and the manner in which the change took place, as, for example, "Miss Mary T. Jones, now by marriage Mrs. Mary T. Smith." A request for reissue must be signed in the presence of and be certified by an officer authorized under subpart H to certify requests for payment.

SEC. 315.34. *Agencies authorized to make reissue.*—Reissues under section 315.32 (b) and (c) may be made only at a Federal Reserve bank or the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill.

SEC. 315.35. *Effective date.*—In any case of authorized reissue the Treasury Department will treat the receipt by a Federal Reserve bank or the Treasury Department of a bond and appropriate request for reissue thereof, as determining the date upon which reissue is effective.

SEC. 315.36. *Date of bonds on reissue.*—The new bonds will be of the same series, will bear the same issue date, and will have the same rights and privileges as the bonds surrendered.

SEC. 315.37. *Denominational exchange.*—Exchange as between authorized denominations will not be permitted except in cases of partial redemption or authorized reissue and then only in authorized denominations of not less than \$25 (maturity value).

#### SUBPART J—MINORS AND PERSONS UNDER OTHER LEGAL DISABILITY

SEC. 315.38. *Payment to legal guardians.*—If the form of registration of a savings bond indicates that the owner is a minor or has been judicially declared to be incompetent to manage his estate and that a guardian or similar representative has been appointed for the estate of such minor or incompetent by a court having jurisdiction or is otherwise legally qualified, payment will be made only to such guardian or similar legal representative. In such case the request for payment appearing on the back of the bond should be signed by the guardian or other legal representative as such, for example, "John A. Jones, guardian (committee) of the estate of Henry W. Smith, a minor (an incompetent)." Unless the form of registration gives the name of the representative, there must be submitted in support of the request a certificate or a certified copy of the letters of appointment from the court making the appointment under the seal of the court. Except in the case of corporate fiduciaries, such certificate or certification should state that the appointment is in full force and should be dated not more than six months prior to the date of presentation of the bond for payment. See subpart O for payment provisions applicable to bonds registered in the names of guardians and similar fiduciaries. Where the form of registration does not indicate that the owner is a minor for whose estate a guardian has been appointed, a notice that such guardian has been appointed will not be accepted by the Treasury Department for the purpose of preventing payment to the minor or to a parent or other person

on behalf of the minor as provided in the two following sections. However, if a legal guardian presents for payment a bond so registered accompanied by proof of his appointment, payment will be made to such guardian.

SEC. 315.39. *Payment to minors.*—Unless the form of registration of a savings bond indicates that the owner is a minor for whose estate a guardian or similar legal representative has been appointed or is otherwise duly qualified, payment will be made direct to such minor presenting the bond for payment if, at the time payment is requested, he is of sufficient competency and understanding to sign his name to the request and to comprehend the nature of such act. In general, the fact that the request for payment has been signed by a minor and duly certified in accordance with subpart H will be accepted as sufficient proof of such competency and understanding.

SEC. 315.40. *Payment to a parent or other person on behalf of a minor.*—If the owner of a savings bond is a minor and the form of registration does not indicate that a guardian or similar legal representative of the estate of such minor has been appointed by a court or is otherwise legally qualified, and if such minor owner is not of sufficient competency and understanding to execute the request for payment, payment will be made to either parent of the minor with whom he resides, or if the minor does not reside with either parent, then to the person who furnishes his chief support. Such parent or other person must surrender the bond with the request for payment properly executed, and furnish a certificate, which may be typed on the back of the bond, showing his right to act for the minor. If a parent signs the request, the certificate and signature thereto should be in substantially the following form:

"I certify that I am the mother (or father) of John C. Jones and the person with whom he resides. He is ----- years of age and is not of sufficient competency and understanding to sign this request.

Mrs. Mary Jones on behalf of John C. Jones."

If a person other than a parent signs the request, the certificate and signature thereto, including a reference to the person's relationship, if any, to the minor, should be in substantially the following form:

"I certify that John C. Jones does not reside with either parent and that I furnish his chief support. He is ----- years of age and is not of sufficient competency and understanding to sign this request.

Mrs. Alice Brown, grandmother, on behalf of John C. Jones."

The Treasury Department may in any particular case require further proof that the minor is not of sufficient competency and understanding to execute the request for payment and of the right of the person executing the request to act on behalf of the minor.

SEC. 315.41. *Payment to voluntary guardian of person under disability.*—In any case where the adult owner of a bond has been judicially declared incompetent or such incompetency is otherwise satisfactorily established, and no duly qualified legal representative of his estate is acting, and the entire gross value of his personal estate does not exceed \$500, payment will be made to a member of his family or other person acting as voluntary guardian, upon presentation of satisfactory proof that the proceeds of the bond are necessary for the purchase of necessities for the incompetent or for his wife or minor children or other persons dependent upon him for support. Application for such payment should be made only on appropriate forms, which may be obtained from the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., or any Federal Reserve bank. The request for payment should not be executed, nor the bond presented, until the application has been approved and instructions have been given by the Treasury Department.

SEC. 315.42. *Reissue in the case of a minor.*—A savings bond of which a minor is the owner, or in which he has an interest, may be reissued upon an authorized reissue transaction under the following conditions:

(1) Reissue will be restricted to a form of registration which preserves the existing ownership or interest of the minor, except that a minor of sufficient competency and understanding to sign his name to the request and to comprehend the nature of such act, shall have the right to request reissue to add a coowner or beneficiary to a bond registered in his name alone or to which he is entitled in his own right.

(2) Reissue will be subject to the terms and conditions prescribed by sections 315.38, 315.39 and 315.40 of this subpart, governing a request for payment of such bond.

## SUBPART K—SINGLE NAME—ADDITION OF COOWNER, ETC.

SEC. 315.43. *Payment or reissue.*—A savings bond registered in the name of one person in his own right without a coowner or beneficiary, or to which one person is entitled in his own right under these regulations, will be paid to such person during his lifetime upon a duly executed request for payment. Upon the death of the owner, such bond, if not previously redeemed, will be considered as belonging to his estate and will be paid or reissued accordingly. (See subpart N.)

SEC. 315.44. *Reissue for certain purposes.*—A savings bond registered in the name of one person in his own right, or to which one person is shown to be entitled in his own right under these regulations, may be reissued, upon appropriate request, for the following purposes:

(a) *Addition of a coowner.*—Reissue in the name of the owner with that of another natural person as coowner. Bonds reissued in accordance with this subsection upon request of the original owner will be considered for the purposes of computation of holdings under subpart C of these regulations as originally issued in both names, and no reissue will be effective which results in any one person holding bonds in excess of the established limit for the series to which the bonds belong. Requests for reissue under this subsection should be made on Form PD 1787.

(b) *Addition of a beneficiary.*—Reissue in the name of the owner with that of another natural person as designated beneficiary. Requests for reissue under the provisions of this subsection should be made on Form PD 1787.

(c) *A trustee of a living trust.*—Reissue in the name of a trustee of a living trust created by the owner for his benefit, in whole or in part, during his lifetime, whether or not containing an absolute power of revocation in the grantor; but such reissue will be allowed only in the case of bonds of those series which may be originally issued in the name of a trustee. Requests for reissue under this subsection should be made on Form PD 1851.

## SUBPART L—TWO NAMES—COOWNERSHIP FORM

SEC. 315.45. *Payment or reissue.*—A savings bond registered in the names of two persons as coowners in the form, for example, "John A. Jones or Mrs. Mary C. Jones," will be paid or reissued as follows:

(a) *Payment during the lives of both coowners.*—During the lives of both coowners the bond will be paid to either coowner upon his separate request without requiring the signature of the other coowner; and upon payment to either coowner the other person shall cease to have any interest in the bond. The bond will also be paid to both coowners upon their joint request, in which case payment will be made by check drawn to the order of both coowners in the form "John A. Jones and Mrs. Mary C. Jones," and the check must be endorsed by both payees.

(b) *Reissue during the lives of both coowners.*—During the lives of both coowners the bond may be reissued upon the request of both, as follows:

(1) If one of the coowners is married after the issue of the bond, the bond may be reissued to eliminate the name of the other coowner and to name the former's wife or husband as coowner or beneficiary. Requests for reissue under this provision should be made on Form PD 1938.

(2) If the coowners are divorced from each other after the issue of the bond, the bond may be reissued in the name of either coowner, alone or with a new coowner or a beneficiary. The request must be supported by a copy of the divorce decree, certified by the clerk of the court under its seal. Application for the appropriate form to be used hereunder may be made to a Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill.

(3) If the bond is of a series which may be originally issued in the name of a trustee, it may be reissued in the name of a trustee of a living trust created by both coowners for the benefit of both, in whole or in part, during their lifetime, whether or not containing an absolute power of revocation in the grantors. Requests for reissue under this provision should be made on Form PD 1851.

No other reissue will be permitted in any form during the lives of both coowners except as specifically provided in these regulations.

(c) *Payment or reissue after the death of one coowner.*—If either coowner dies without the bond having been presented and surrendered for payment or authorized reissue, the surviving coowner will be recognized as the sole and absolute



owner of the bond and payment or reissue, as though the bond were registered in his name alone, will be made only to such survivor. If the survivor requests reissue, he must present proof of the death of the other coowner. If a coowner dies after he has presented and surrendered the bond for payment, payment of the bond or check, if one has been issued, will be made to his estate. (See subpart N.) If either coowner dies after the bond has been presented and surrendered for authorized reissue, the bond will be treated as though such reissue had been made before the death of such coowner. (See sec. 315.35.)

(d) *Payment or reissue on death of both coowners in common disaster.*—If both coowners die in a common disaster under such conditions that it cannot be established, either by presumption of law or otherwise, which coowner died first, the bond will be considered as belonging to the estates of both coowners, and payment or reissue will be made accordingly. (See subpart N.)

(e) *Payment or reissue after the death of the surviving coowner.*—If a surviving coowner who becomes solely entitled to the bond under the provisions of subsection (c) of this section, dies without having presented and surrendered the bond for payment or authorized reissue, the bond will be considered as belonging to his estate and will be paid or reissued accordingly. (See subpart N.) In this case, proof of the death of both coowners and of the order in which they died will be required.

The term "presented and surrendered" as used in this subpart means the actual receipt of a bond, for payment, by a Federal Reserve bank or the Treasury Department, or an incorporated bank or trust company or any other agency duly qualified to make payment of the bond, or, for reissue, by a Federal Reserve bank or the Treasury Department, with an appropriate request for the particular transaction.

#### SUBPART M—TWO NAMES—BENEFICIARY FORM

SEC. 315.46. *Payment or reissue.*—A savings bond registered in the name of one person payable on death to another, for example, "Henry W. Ash, payable on death to John C. Black," will be paid or reissued as follows:

(a) *Payment to the registered owner.*—The bond will be paid to the registered owner during his lifetime upon his properly executed request as though no beneficiary had been named in the registration.

(b) *Reissue during the lifetime of the registered owner as follows:*

(1) The bond will be reissued, on the duly certified request of the registered owner, to name the beneficiary designated on the bond as coowner. Bonds so reissued upon the request of the original owner will be considered for the purposes of computation of holdings under subpart C of these regulations as originally issued in both names and no reissue will be effective which results in any one person holding bonds in excess of the established limit for the series to which the bonds belong.

(2) The bond will also be reissued upon the duly certified request of the registered owner, together with the duly certified consent of the designated beneficiary, to eliminate such beneficiary<sup>6</sup> or to substitute another person as beneficiary, or to name another person as coowner. Under this provision the bond may also be reissued in the name of a trustee of a living trust created by the owner for his benefit, in whole or in part, during his lifetime, whether or not containing an absolute power of revocation in the grantor, if it is a bond of a series which may be originally issued in the name of a trustee.

(3) If the beneficiary should predecease the registered owner, upon proof of such death and upon request of the registered owner the bond may be reissued as though it were registered in his name alone.

Requests for reissue under this subsection should be made on Form PD 1787, except that Form PD 1849 should be used for reissue to a trustee of a living trust under the provisions of subparagraph 2.

(c) *Payment or reissue after the death of the registered owner.*—If the registered owner dies without having presented and surrendered the bond for payment or authorized reissue and is survived by the beneficiary, upon proof of such death and survivorship, the beneficiary will be recognized as the sole and absolute owner of the bond, and payment or reissue, as though the bond were registered in his name alone, will be made only to such survivor. If the registered owner dies after he has presented and surrendered the bond for payment, payment of the bond, or check, if one has been issued, will be made to his estate. (See subpart N.) If the registered owner dies after the bond has been presented and surren-

<sup>6</sup> A bond registered in the name of the owner payable on death to the Treasurer of the United States may not be reissued to eliminate the beneficiary.



dered for an authorized reissue, the bond will be treated as though such reissue had been made before the death of the registered owner. (See sec. 315.35.)

(d) *Payment or reissue after the death of the surviving beneficiary.*—If a surviving beneficiary who becomes entitled to the bond under the provisions of subsection (c) of this section, dies without having presented and surrendered the bond for payment or reissue, the bond will be considered as belonging to his estate and will be paid or reissued accordingly. (See subpart N.) In this case, proof of the death of both the registered owner and the beneficiary and of the order in which they died will be required.

The term "presented and surrendered" as used in this subpart means the actual receipt of a bond, for payment, by a Federal Reserve bank or the Treasury Department, or an incorporated bank or trust company or any other agency duly qualified to make payment of the bond, or, for reissue, by a Federal Reserve bank or the Treasury Department, with an appropriate request for the particular transaction.

#### SUBPART N—DECEASED OWNERS

SEC. 315.47. *Payment or reissue on death of owner.*—Upon the death of the owner of a savings bond who was not survived by a coowner or designated beneficiary and who had not during his lifetime presented and surrendered the bond to a Federal Reserve bank or the Treasury Department for an authorized reissue, the bond will be considered as belonging to his estate and will be paid or reissued accordingly, as hereinafter provided, except that reissue under the provisions of this subpart will not be made to a creditor. In any case, reissue will be restricted to a form of registration permitted by the regulations in effect on the date of original issue of the bond, but the person entitled to the bond may hold it without change of registration and will have the right to payment before or at maturity. The provisions of this section shall also apply to savings bonds registered in the names of executors or administrators, except that proof of their appointment and qualification may not be required. Established forms for use in such cases and for requests for payment or reissue may be obtained from any Federal Reserve bank or from the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill., and should be used in every instance.

(a) *In course of administration.*—If the estate of the decedent is being administered in a court of competent jurisdiction, the bond will be paid to the duly qualified representative of the estate or will be reissued in the names of the persons entitled to share in the estate, upon request of the duly appointed and qualified representative of the estate and compliance with the following conditions:

(1) Where there are two or more legal representatives, all must unite in the request for payment or reissue, unless by express statute or decree of court, or by testamentary provision, some one or more of them may properly execute the request.

(2) The request for payment or reissue should be signed in the form, for example: "John A. Jones, administrator of the estate (or executor of the will) of Henry W. Jones, deceased," and must be supported by proof of the representative's authority in the form of a court certificate or a certified copy of the representative's letters of appointment issued by the court having jurisdiction. The certificate, or the certification to the letters, must be under seal of the court, and, except in the case of a corporate representative, must contain a statement that the appointment is in full force and should be dated within 6 months of the date of presentation of the bond.

(3) In case of reissue the personal representative should certify that the persons named are entitled to share in the estate to the extent specified for each and have consented to such reissue. A request for reissue by an individual legal representative should be made on Form PD 1455 and a request by a corporate representative should be made on Form PD 1498. If a person in whose name reissue is requested desires to name a coowner or beneficiary, such person should execute an additional request for that purpose, using Form PD 1787.

(4) If a sole representative is himself the person entitled and desires reissue in his own name, the request for reissue must be supported by an order of court showing that he is entitled to the bond in his own right.

(b) *After settlement through court proceedings.*—If the estate of the decedent has been settled in a court of competent jurisdiction, the bond will be paid to or reissued in the name of the person entitled thereto as determined by the court. The request for payment or reissue should be made by the person shown to be entitled and supported by duly certified copies of the representative's final account and the decree of distribution or other pertinent court records, supplemented, if

there are two or more persons having an apparent interest in the bonds, by an agreement executed by them. If it is established to the satisfaction of the Secretary of the Treasury that the representative is not required by law or rules of court to render an accounting, reissue may be made in his name, upon his request as representative, supported by proof of compliance with all legal requirements and of all the facts necessary to establish his right to the bond.

(c) *Without administration.*—If no legal representative of the decedent's estate has been or is to be appointed and the amount of savings bonds belonging to the estate does not exceed \$250 (maturity value), or if it is established to the satisfaction of the Secretary of the Treasury that the gross value of the personal estate of the decedent does not exceed \$500 or that administration of the estate is not required in the State of the decedent's last domicile, the bond will be paid to or reissued in the name of the persons entitled, pursuant to an agreement and request by all persons entitled to share in the estate, executed on the form prescribed by the Treasury Department and supported by the evidence called for by such form. Application for the appropriate form to be used hereunder may be made to any Federal Reserve bank or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill. The applicant should state whether or not the amount of bonds belonging to the decedent's estate is in excess of \$250 (maturity value). No payment or reissue will be permitted without administration if any of the persons entitled are minors or incompetents, except to them or in their names, in whole or to the extent of their interests in the decedent's entire personal estate, whichever is less, unless such interests are otherwise protected to the satisfaction of the Secretary of the Treasury.

#### SUBPART O—FIDUCIARIES

SEC. 315.48. *Payment to fiduciaries.*—A savings bond registered in the name of a fiduciary, or otherwise belonging to a fiduciary estate, will be paid to the fiduciaries of such estate upon their request. A request for payment before maturity must be signed by all acting fiduciaries unless, by express statute or decree of court or by the terms of the instrument under which the fiduciaries are acting, some one or more of them may properly execute the request. A request for payment at maturity signed by any one or more acting fiduciaries will be accepted, but payment will be made to all. If the bond is registered in the names of fiduciaries of the estate who are still acting, no further evidence of authority will be required. In other cases the request for payment must be supported by evidence as specified below:

(a) *Fiduciaries—by title only.*—If the bond is registered in the titles without the names of the fiduciaries, satisfactory proof of their incumbency must be furnished, except in the case of public officers.

(b) *Succeeding fiduciaries.*—If the fiduciaries in whose names the bonds were registered have been succeeded by other fiduciaries, satisfactory proof of successorship must be furnished.

(c) *Boards, committees, etc.*—If the fiduciaries consist of a board, committee, commission or public body, or are otherwise empowered to act as a unit, a request for payment before maturity must be signed in the name of the board or other body by an authorized officer or agent thereof or by all members of the board or other body. A request executed by an officer or agent must be supported by a duly certified copy of a resolution of the board or other body authorizing such action or by a duly certified copy of the trust instrument or excerpt therefrom showing the authority for such action, except that in the case of a public board or commission a request signed in its name by an authorized officer thereof and duly certified will ordinarily be accepted without further proof of his authority. A request signed by all members of a private board or committee must be supported by a duly executed certificate of incumbency.

(d) *Corporate fiduciaries.*—If a public or private corporation or a political body, such as a State or county, is acting as a fiduciary, a request for payment must be signed in the name of the corporation or other body, in the fiduciary capacity in which it is acting, by an authorized officer thereof. A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority.

(e) *Registration not disclosing trust.*—If the form in which the bond is registered does not show that it belongs to a fiduciary estate or does not identify the estate to which it belongs, satisfactory proof of ownership must be furnished.

SEC. 315.49. *Reissue in the name of a succeeding fiduciary.*—If a fiduciary in whose name a savings bond is registered has been succeeded as such fiduciary by

another, the bond will be reissued in the name of the succeeding fiduciary upon appropriate request and satisfactory proof of successorship.

SEC. 315.50. *Reissue or payment to person entitled.*—

(a) *Distribution of trust estate in kind.*—A savings bond to which a beneficiary of a trust estate has become lawfully entitled in his own right or in a fiduciary capacity, in whole or in part, under the terms of the trust instrument, will be reissued in his name to the extent of his interest as a distribution in kind upon the request of the trustee or trustees and their certification that such person is entitled and has agreed to reissue in his name. If a sole trustee is the person so entitled in his own right, his request for reissue in his name must be supported by an order of court or other satisfactory proof that he is so entitled. If the form in which the bond is registered does not show that it belongs to a trust estate, the request for reissue must be supported by satisfactory proof of ownership.

(b) *After termination of trust estate.*—If the person who would be lawfully entitled to a savings bond upon the termination of a trust does not desire to have such distribution to him in kind, as provided in the next preceding subsection, the trustee or trustees should redeem the bond in accordance with the provisions of section 315.48 before the estate is terminated. If, however, the estate is terminated without such payment or reissue having been made, the bond will thereafter be paid to or reissued in the name of the person lawfully entitled upon his request and satisfactory proof of ownership, supplemented, if there are two or more persons having any apparent interest in the bond, by an agreement executed by all such persons.

(c) *Upon termination of guardianship estate.*—A savings bond registered in the name of a guardian or similar legal representative of the estate of a minor or incompetent, if the estate is terminated during the ward's lifetime, will be reissued in the name of the former ward upon the representative's request and certification that the former ward is entitled and has agreed to reissue in his name, or will be paid to or reissued in the name of the former ward upon his own request, supported in either case by satisfactory proof that his disability has been removed. Certification by the representative that a former minor has attained his majority, or that the legal disability of a female ward has been removed by marriage, if the State law so provides, will ordinarily be accepted as sufficient, but if the disability is removed by court order a duly certified copy of the order will be necessary. Upon the death of the ward a bond registered in the name of his guardian or similar representative will be reissued in accordance with the provisions of subpart N as though it were registered in the name of the ward alone.

SUBPART P—PRIVATE ORGANIZATIONS (CORPORATIONS, ASSOCIATIONS, PARTNERSHIPS, ETC.)

SEC. 315.51. *Payment to corporations or unincorporated associations.*—A savings bond registered in the name of a private corporation or an unincorporated association will be paid to such corporation or unincorporated association upon request for payment on its behalf by a duly authorized officer thereof. The signature to the request should be in the form, for example, "The Jones Coal Company, a corporation, by William A. Smith, president," or "The Lotus Club, an unincorporated association, by John Jones, treasurer." A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority.

SEC. 315.52. *Payment to partnerships.*—A savings bond registered in the name of a partnership will be paid upon a request for payment signed by a general partner. The signature to the request should be in the form "Smith and Jones, a partnership, by John Jones, a general partner." A request for payment so signed and duly certified will ordinarily be accepted as sufficient proof that the person signing the request is duly authorized.

SEC. 315.53. *Payment to other organizations (churches, hospitals, homes, schools, etc.).*—A savings bond registered in the name of a church, hospital, home, school, or similar institution without reference in the registration to the manner in which it is organized, governed, or title to its property is held, will be paid upon a request for payment signed on behalf of such institution by an authorized representative. For the purpose of this section, a request for payment signed by a pastor of a church, superintendent of a hospital, president of a college, or by any official generally recognized as having authority to conduct the financial affairs of the particular institution, will ordinarily be accepted without further proof of his authority. The signature to the request should be in the form, for example, "Shriners' Hospital for Crippled Children, St. Louis, Missouri, by William A.



Smith, superintendent," or "St. Mary's Roman [Catholic] Church, Albany, New York, by John Jones, pastor."

SEC. 315.54. *Reissue in name of trustee for investment purposes.*—A savings bond held by a church, hospital, home, school, or similar institution, whether or not incorporated, may be reissued upon appropriate request in the name of a bank or trust company as trustee under an agreement with such organization, under which the bank or trust company holds the funds of the organization, in whole or in part, in trust, for the purpose of investing and reinvesting the principal and paying the income to the corporation or association.

SEC. 315.55. *Reissue or payment to successors of corporations, unincorporated associations, or partnerships.*—A savings bond registered in the name of a private corporation, an unincorporated association or a partnership which has been succeeded by another corporation, unincorporated association or partnership by operation of law or otherwise, as the result of merger, consolidation, reincorporation, conversion, reorganization, or in any manner whereby the business or activities of the original organization are continued without substantial change, will be paid to, or reissued in the name of, the succeeding organization upon appropriate request on its behalf and satisfactory proof of lawful successorship.

SEC. 315.56. *Reissue or payment on dissolution.*—

(a) *Corporations.*—A savings bond registered in the name of a private corporation which is in process of dissolution will be paid to the authorized representative of the corporation upon a duly executed request for payment supported by satisfactory evidence of the representative's authority. Upon the termination of dissolution proceedings such bonds may be reissued in the names of those persons, other than the creditors, entitled to the assets of the corporation, to the extent of their respective interests, upon the duly executed request of the authorized representative of the corporation and upon proof of compliance with all statutory provisions governing the voluntary dissolution of such corporation, and that the persons in whose names reissue is requested are entitled and have agreed to such reissue. If the dissolution proceedings are had under the direction of a court, proof of the authority of the representative and of the persons entitled to distribution must consist of certified copies of orders of the court.

(b) *Partnerships.*—A savings bond registered in the name of a partnership which has been dissolved by death or withdrawal of a partner, or in any other manner, will be paid to or reissued in the names of the persons entitled thereto as the result of such dissolution to the extent of their respective interests, upon their request supported by satisfactory evidence of their title, including proof that the debts of the partnership have been paid or properly provided for.

#### SUBPART Q—STATES, PUBLIC CORPORATIONS, AND PUBLIC BOARDS, COMMISSIONS AND OFFICES

SEC. 315.57. *In names of States, public corporations and public boards.*—A savings bond registered in the name of a State or of a county, city, town, village or other public corporation or in the name of a public board or commission, will be paid upon a request signed in the name of such State, corporation, board or commission by a duly authorized officer thereof. A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority.

SEC. 315.58. *In names of public officers.*—A savings bond registered in the title, without the name, of an officer of a State or public corporation, such as a county, city, town or village, will be paid upon request for payment signed by the designated officer. The fact that the request for payment is signed and duly certified will ordinarily be accepted as sufficient proof that the person signing is the incumbent of the designated office.

#### SUBPART R—FURTHER PROVISIONS

SEC. 315.59. *Regulations prescribed.*—These regulations are prescribed by the Secretary of the Treasury as governing United States saving bonds issued under the authority of section 22 of the Second Liberty Bond Act, as amended, and pursuant to the various Department Circulars offering such bonds for sale. The provisions of these regulations with respect to bonds registered in the names of certain classes of individuals, fiduciaries and organizations are equally applicable to bonds to which such individuals, fiduciaries and organizations are otherwise



shown to be entitled under these regulations. The provisions of Treasury Department Circular No. 300, as amended, have no application to savings bonds except as to cases arising under subpart F of this circular.

SEC. 315.60. *Preservation of rights.*—Nothing contained in these regulations shall be construed to limit or restrict any existing rights which holders of savings bonds heretofore issued may have acquired under the circulars offering such bonds for sale, or under the regulations in force at the time of purchase.

SEC. 315.61. *Additional proof—bond of indemnity.*—The Secretary of the Treasury, in any case arising under these regulations, may require such additional proof as he may consider necessary or advisable in the premises; and may require a bond of indemnity with satisfactory sureties, or an agreement of indemnity, in any case where he may consider such a bond or agreement necessary for the protection of the interests of the United States.

SEC. 315.62. *Correspondence, certificates, notices and forms—presentation and surrender.*—The Chicago Office of the Bureau of the Public Debt of the Treasury Department (Merchandise Mart, Chicago 54, Ill.) is charged with all matters relating to United States savings bonds after their original issue, and within that office transactions under these regulations are largely conducted by the Division of Loans and Currency, at the same address. In the same connection the Federal Reserve banks, as fiscal agents of the United States, and their branches, are utilized. Correspondence in regard to any transactions with respect to United States savings bonds within the scope of these regulations, certificates of court and other certificates required hereunder, notices of intention to redeem and the like (which must be in writing), and any other appropriate forms or documents, should be addressed accordingly (and, where necessary, the bonds should be presented and surrendered therewith), except that any specific instructions given elsewhere in this circular for addressing particular transactions should be observed, and in any such instances the term "Federal Reserve bank" shall include any branch of that bank. Notices or documents not so submitted, or on file in the Treasury Department elsewhere than with the Bureau of the Public Debt will not be recognized. Appropriate forms for use in connection with transactions may be obtained from any Federal Reserve bank or branch, or from the Treasury Department, Division of Loans and Currency, at the Chicago address.

SEC. 315.63. *Supplements, amendments or revisions.*—The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory or revised rules and regulations governing United States savings bonds.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

### Exhibit 18

*Second supplement, July 2, 1945, to Department Circular No. 653, authorizing an additional denomination of \$200 for United States savings bonds of Series E*

TREASURY DEPARTMENT,  
*Washington, July 2, 1945.*

Department Circular No. 653, Second Revision, dated August 31, 1943, as supplemented June 7, 1944, fixing the terms and governing the issue of United States savings bonds of Series E, currently designated war savings bonds, is hereby further supplemented, as follows:

1. In addition to the denominations previously authorized, bonds of Series E will be issued in the denomination of \$200 (maturity value), the issue price of which will be \$150. The provisions of said Circular No. 653, Second Revision, and the regulations governing savings bonds shall extend to bonds of Series E in the denomination of \$200.

2. The redemption values before maturity of bonds of Series E, in the denomination of \$200, conforming to those of other denominations of this series, will be shown on the bonds, and are set forth in the appended table.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

*Table of redemption values showing how bonds of Series E in the denomination of \$200 (maturity value) increase in redemption value during successive half-year periods following issue*

Issue price, \$150

Period after issue date:	Redemption value during period	Period after issue date:	Redemption value during period
First ½ year.....	\$150	5 to 5½ years.....	\$164
½ to 1 year.....	150	5½ to 6 years.....	166
1 to 1½ years.....	151	6 to 6½ years.....	168
1½ to 2 years.....	152	6½ to 7 years.....	172
2 to 2½ years.....	153	7 to 7½ years.....	176
2½ to 3 years.....	154	7½ to 8 years.....	180
3 to 3½ years.....	156	8 to 8½ years.....	184
3½ to 4 years.....	158	8½ to 9 years.....	188
4 to 4½ years.....	160	9 to 9½ years.....	192
4½ to 5 years.....	162	9½ to 10 years.....	196

At maturity (10 years from issue date) \$200

### Exhibit 19

*Second amendment, November 17, 1944, to Department Circular No. 654, Second Revision, as amended, relative to United States savings bonds of Series F and Series G*

TREASURY DEPARTMENT,  
Washington, November 17, 1944.

Section IV, paragraph 1, and section V, paragraph 1 (2), of Department Circular No. 654, Second Revision, dated January 1, 1944, as amended, are hereby further amended to read as follows:

#### IV. LIMITATION ON HOLDINGS

1. The amount of United States savings bonds of Series F, or of Series G, or the combined aggregate amount of both series originally issued during any one calendar year to any one person, including those registered in the name of that person alone, and those registered in the name of that person with another named as coowner, that may be held by that person at any one time shall not exceed \$100,000 (issue price): except that in the case of commercial banks authorized to acquire such bonds in accordance with section V 1 (2) hereof, the amount shall be such as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities,<sup>1</sup> but in no event in excess of \$100,000 (issue price) for any one calendar year.

#### V. AUTHORIZED FORMS OF REGISTRATION

1. United States savings bonds of Series F and Series G may be registered only in one of the following forms:

(2) In the name of an incorporated or unincorporated body in its own right; but may not be registered in the names of commercial banks, which are defined for this purpose as those accepting demand deposits, except to such extent and under such conditions as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities.

D. W. BELL,  
*Acting Secretary of the Treasury.*

<sup>1</sup> Circulars heretofore issued making provisions for subscription to Series F and Series G bonds by commercial banks are Circulars Nos. 729 and 740, offering 2½ percent Treasury bonds of 1965-70; Circular No. 730, offering 2¾ percent Treasury bonds of 1956-59; and Circular No. 741, offering 2 percent Treasury bonds of 1952-54. Circular No. 755, offering 2½ percent Treasury bonds of 1966-71, and Circular No. 756, offering 2 percent Treasury bonds of 1952-54, will also contain similar provisions.

## Exhibit 20

*Procedure to be followed with respect to maturing United States savings bonds of Series A*

TREASURY DEPARTMENT,  
Washington, February 8, 1945.

United States savings bonds of Series A are due for payment this year, beginning March 1. They will be paid at their face or denominational value, following presentation in accordance with applicable regulations. If any individual, owning bonds of Series A as owner or coowner, desires, instead of receiving cash payment, to exchange his maturing bonds for bonds of Series E, he may do so at any time during the month in which they mature. The most convenient procedure for him to follow is to present his Series A bonds to any incorporated bank or trust company which is qualified both as a paying agent for savings bonds and as an issuing agent for Series E bonds, and, under the established payment and issue procedures, consummate the exchange.

Another way of effecting the exchange, which must be followed in all cases where the bank or trust company is not authorized to pay the bonds, is for the individual owner to forward the maturing bonds to a Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, bearing requests for payment signed by owners and duly certified in accordance with applicable regulations, and accompanied by instructions given by the owner who has signed the request for payment for the issue and delivery of bonds of Series E.

Holders of Series A bonds other than individuals are not eligible under current regulations to purchase Series E savings bonds, and such holders therefore will not be permitted to exchange their maturing Series A bonds for Series E bonds. They are, however, invited to invest the proceeds of their maturing bonds in other issues of United States Government securities which they are eligible to purchase.

Series E bonds issued in exchange for Series A bonds will be registered in the name of the owner or coowner surrendering the bonds in any form of registration authorized for bonds of Series E which he may select. Bonds of Series E will be issued up to such face or denominational amount as the proceeds of the maturing bonds presented will fully cover, or such lesser amount as the owner may direct, any remaining balance to be paid to the owner of the bonds presented. The bonds issued will be dated as of the first day of the month in which the bonds presented matured.

Any bonds of Series E issued in exchange for bonds of Series A will not be subject to the limitation on holdings prescribed for bonds of Series E on original issue.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

## Exhibit 21

*Press release, March 10, 1945, relative to the adoption of a plan for converting maturing Series A savings bonds owned by servicemen outside the continental United States into Series E savings bonds*

Secretary Morgenthau today announced the adoption of a plan whereby maturing Series A United States savings bonds owned by men and women on the fighting fronts may be converted into Series E bonds at the request of a near relative of an owner.

This special procedure was established in recognition of the fact that, in most cases, servicemen outside the continental United States will not be in a position to request payment of the A bonds as they mature, beginning this month, and should not, because of their war service, be deprived of the benefit of continued interest on their investment.

Near relatives having possession of maturing Series A bonds registered in the name of a serviceman, whether as owner, coowner or surviving beneficiary, may present them to a Federal Reserve bank or branch or to the Treasury Department with a request for payment during the month in which they mature provided the entire proceeds, so far as possible, be applied to the purchase of Series E bonds registered in the name of the serviceman only.



However, a coowner or beneficiary may be named on the E bonds, either at the time of original issue or subsequently by reissue, if satisfactory evidence is submitted in the form of a V-mail letter or a letter by ordinary mail together with the envelope in which it came, indicating the serviceman's intent to name a coowner or a beneficiary.

Any proceeds from the redemption over and above the issue price of the new Series E bonds will be paid by check drawn to the order of the serviceman and delivered together with the bonds to the relative who requested redemption. If the bonds are held in safekeeping by the Treasury or by any Federal Reserve bank or branch, the new bonds will be returned to safekeeping for the owner's account.

### Exhibit 22

*Regulations, September 5, 1944, governing payments by incorporated banks and trust companies in connection with the redemption of United States savings bonds*<sup>1</sup>

[Department Circular No. 750. Public Debt]

TREASURY DEPARTMENT,  
Washington, September 5, 1944.

Pursuant to the authority of the Second Liberty Bond Act, as amended, the following regulations<sup>1</sup> are hereby prescribed to govern payments by incorporated banks and trust companies in connection with the redemption of United States savings bonds on and after October 2, 1944:

#### SUBPART A—AUTHORITY TO ACT

SEC. 321.1. *Banks and trust companies authorized to act.*—All banks and trust companies, incorporated under general or special laws of the United States, the District of Columbia, any State, territory or insular possession of the United States, or the Canal Zone, are eligible and are hereby authorized, on and after October 2, 1944, to make payments in connection with the redemption of United States savings bonds, subject to the provisions of this circular and any instructions issued hereunder: *Provided, however,* That each bank or trust company must be duly qualified by the Federal Reserve bank of the district<sup>2</sup> before it may make any such payment. Federal Reserve banks, as fiscal agents of the United States, are authorized to qualify eligible banks and trust companies hereunder, and to terminate any such qualification as hereinafter provided.

SEC. 321.2. *Application and qualification.*—Any eligible bank or trust company which desires to qualify to make payments in connection with the redemption of United States savings bonds should make application to the Federal Reserve bank of the Federal Reserve district in which it is located on Application-Agreement Form PD 1958, copies of which may be obtained from the appropriate Federal Reserve bank. If the application is approved, the Federal Reserve bank will forward to the bank or trust company a Notice of Qualification Form PD 1959, establishing that it is qualified to make payments in connection with the redemption of the United States savings bonds hereinafter specified. If the application is not approved, the bank or trust company will be so advised in writing by the Federal Reserve bank of the district.

SEC. 321.3. *Termination of a bank's qualification to pay bonds.*—The Secretary of the Treasury or under authority of the Secretary the appropriate Federal Reserve bank, as fiscal agent of the United States, may, by written notice, at any time and without previous demand or notice, terminate the qualification of any bank or trust company to pay United States savings bonds. A duly qualified bank or trust company may discontinue making payments at any time upon written notice to the Federal Reserve bank, and its qualifications shall thereupon cease.

#### SUBPART B—GENERAL

SEC. 321.4. *Meaning of terms in this circular.*—Hereinafter, for the purposes of this circular, unless otherwise indicated specifically, or by context, the terms:

<sup>1</sup> Revised, June 30, 1945, see p. 314.

<sup>2</sup> For the purpose of this circular, banks and trust companies in Puerto Rico, the Virgin Islands and the Canal Zone shall be considered as being within the Second Federal Reserve District and shall make application to the Federal Reserve Bank of New York, and banks and trust companies in Alaska and Hawaii shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.



(a) "Bank(s)" shall mean any eligible incorporated bank or trust company duly qualified pursuant to the provisions of this circular to make payments in connection with the redemption of the United States savings bonds hereinafter specified, including such branches and facilities thereof located within the United States (including the territories and insular possessions of the United States and the Canal Zone) as it may desire to utilize for this purpose. The term "facilities," as used herein, is defined as those bank facilities at Army and Navy installations and at defense plants which have been established for the duration of the war with specific approval of the Treasury Department.

(b) "Bond(s)" shall include only United States savings bonds of Series A, B, C, D, or E, including bonds of Series E designated "Defense Savings Bonds" or "War Savings Bonds." (Savings bonds of Series F and G are not included.)

(c) "Owner(s)" shall mean an individual (natural person) whose name is inscribed as an owner (or coowner) in his own right on a bond which is registered in any of the following forms:

(1) In the name of a single individual in his own right, e. g., "John A. Jones";

(2) In the names of two individuals as coowners, e. g., "John A. Jones or Mrs. Ella S. Jones" (each is considered as an "owner," and payment may be made to either without the consent of the other); or

(3) In the name of one individual, payable on death to another, e. g., "John A. Jones, payable on death to Mrs. Ella S. Jones," or "John A. Jones, p. o. d. Mrs. Ella S. Jones." (In this example, John A. Jones is the "owner" and Mrs. Ella S. Jones is the beneficiary. Payment under this circular to a beneficiary is not authorized.)

(d) "Federal Reserve bank" includes each Federal Reserve bank and each branch of a Federal Reserve bank which has been or may hereafter be utilized by such Federal Reserve bank to conduct any of the transactions in connection with which the term is used in this circular.

SEC. 321.5. *Reimbursement of banks' costs.*—A bank shall not make any charge against the owners of bonds for payments made hereunder. However, each bank shall be entitled to receive, for its service in paying bonds hereunder, reimbursement for bonds paid and forwarded to the Federal Reserve bank each calendar quarter according to the following scale, which shall be applicable separately to each bank and each of its branches and facilities, if utilized, and if the bonds paid by each are separately scheduled and accounted for:

15 cents each for the first 1,000 bonds

12 cents each for the second 1,000 bonds

10 cents each for all over 2,000 bonds.

The date such bonds are forwarded to the Federal Reserve bank will govern the rate of reimbursement, and the payment of such amount as the bank is entitled to receive shall be made by the Federal Reserve bank on behalf of the Treasury Department.

SEC. 321.6. *Announcements, etc., of authority to pay bonds.*—Any announcement of or any reference to a bank's authority to pay savings bonds may be made only in a form or manner or contain such statements or substance as may be approved by the Secretary of the Treasury or, under authority of the Secretary, by the Federal Reserve bank of the district, as fiscal agent of the United States. A bank shall not make such announcements or references unless and until it is officially qualified to pay bonds.

#### SUBPART C—SCOPE OF AUTHORITY OF BANKS

SEC. 321.7. *General.*—In order to protect the interests of the owners and to insure receipt by the proper persons of the proceeds thereof, savings bonds are registered, are not transferable, and are payable only to the owner named on the bond (except as otherwise specifically provided in the regulations governing the bonds). This policy must be understood and effectuated by each bank, notwithstanding the authority granted herein to make payments of bonds, since it is of the utmost importance that payment of the appropriate redemption value of the bonds be made to and received by only the persons entitled under the terms and conditions of the bonds and applicable regulations.

SEC. 321.8. *Payments authorized.*—Subject to the terms of the bonds and to the provisions of the regulations governing them (Treasury Department Circular No. 530, as currently in effect on the date of payment) and the provisions of this circular, a bank may make payment of any United States savings bond of Series A, B, C, D, or E, to the individual (natural person) whose name is inscribed as

the owner (or coowner) in his own right on the bond: *Provided*, That such individual presents the bond to the bank for payment and that the individual is known to the bank or establishes his identity to the complete satisfaction of the bank. This authority to make payments to the owner named on the bond will be held to include the following exceptional cases:

(a) Where the name of the owner as inscribed on the bond has been changed by marriage and the bank knows or can establish to its complete satisfaction the identity of the owner whose name has been so changed. The signature to the request for payment should show both names, for example—"Miss Mary T. Jones, now by marriage Mrs. Mary J. Smith." A bank is not authorized to pay a bond for an owner whose name as inscribed on the bond has been changed in any other manner.

(b) Where the name of the owner inscribed on the bond is that of a minor child who is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act but upon whose behalf request for payment is made by a parent with whom the child resides: *Provided, however*, That the form of registration does not indicate a guardian or similar representative of the estate of the minor owner has been appointed or is otherwise legally qualified. The parent requesting payment on behalf of the minor child must be known or his or her identity established to the complete satisfaction of the bank, and the parent must sign the request for payment in the form—"John A. Jones, on behalf of John C. Jones" and affix an endorsement in substantially the following form, which may be typed on the back of the bond: "I certify that I am the ----- (father or mother) of John C. Jones and the person with whom he resides. He is ----- years of age and is not of sufficient competency and understanding to sign the request." Such a payment may not be made to any person other than a father or mother.

SEC. 321.9. *Specific limitations of payment authority*.—A bank is not authorized hereunder to pay a bond:

(a) If the bond is presented for payment prior to the expiration of 60 days from the issue date (the issue date should not be confused with the date appearing in the issuing agent's dating stamp).

(b) If the bank does not know or can not establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond (including the establishment of the identity of parents requesting payment on behalf of minor children, as set forth in sec. 321.8 (b)).

(c) If the owner requesting payment (form for which appears on the back of each bond) does not sign his name in ink as it is inscribed on the face of the bond and show his home or business address. (See also secs. 321.8 (a) and (b) and 321.10 (d).)

(d) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete or unauthorized inscription, issue date or issuing agent's validating stamp impression; or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof.

(e) If the bond is marked "Duplicate."

(f) If Treasury Department regulations require the submission of documentary evidence to support the redemption of the bond, as in the case of deceased owners, incompetents or minors under legal guardianship or the change of an owner's name as inscribed on a bond if for any reason other than marriage.

(g) If the owner named on the bond and requesting payment is a minor who, in the opinion of the bank, is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act. (Note the authority granted to banks to make payments of bonds to either parent on behalf of a minor child under the provisions of sec. 321.8 (b).)

(h) If it is known to the bank that the owner has been declared, in accordance with law, incompetent to manage his estate.

(i) If partial redemption is requested.

Attention is directed to section 321.17 hereof for handling bonds of the foregoing classes of cases which may not be paid by banks.

#### SUBPART D—PAYMENT AND ACCOUNTING

SEC. 321.10. *Examination of bonds presented for payment*.—Before making payment of bonds presented hereunder the bank:

(a) Shall determine that the person requesting payment as the "owner" (as defined in this circular) is known or his identity is established to the satisfaction of the bank.

(b) Shall examine the bond and determine that it is a bond which the bank is authorized to pay under the provisions of this circular.

(c) If the request for payment on the back of the bond is already executed, shall determine that the request is properly signed by the registered owner presenting the bond and that his home or business address is shown.

(d) If the request for payment on the back of the bond has not been executed or has been improperly executed by the owner presenting the bond, shall require such owner to properly sign the request and show his home or business address.

SEC. 321.11. *Certification of requests for payment.*—In view of the provisions of this circular governing payment of bonds and the requirements as to the data to be endorsed on each bond, under section 321.12, a bank will not be required in the case of any bond paid by it to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear on the bond at the time it is presented for payment: *Provided, however,* That each bank submitting paid bonds shall be understood by such submission to have represented and certified that the identity of the owner requesting payment has been duly established to the satisfaction of the bank by one of its officers or by an employee duly authorized by the bank.

SEC. 321.12. *Determination of redemption values and payment of bonds.*—The redemption value of a bond is determined from the period of time (years and full half-year) that it has been outstanding, and the table of redemption values on each bond. The Federal Reserve bank of the district will furnish each bank with a table of redemption values from which it will be possible, after determining the month and year of issue of any bond, to immediately establish its current value. After establishing such value, payment thereof to the owner requesting payment shall be made in cash. No objection will be made to an arrangement between the owner and the bank under which the owner accepts in lieu of cash, a credit to his checking or savings account with the bank, or a check or similar instrument payable to his order. Each bank shall place on the face of each bond paid by it the word "Paid", the amount and date of payment and the name, location and transit (or code) number of the bank. Other data pertinent to the payment procedure of a bank may be included if approved by the Federal Reserve bank of the district. The Federal Reserve bank will furnish rubber stamps for this purpose or, in lieu thereof, will approve suitable stamps prepared by a bank. The affixation of such data shall be construed by and between the bank and the Treasury Department to be a certification by the paying bank that the bond has been paid in accordance with the terms and requirements of this circular and that payment of the proceeds of the bond has been made to the owner.

SEC. 321.13. *Forwarding paid bonds to the Federal Reserve bank.*—After payment, the bond shall be forwarded to the Federal Reserve bank of the district in accordance with instructions issued by such Federal Reserve bank.

SEC. 321.14. *Redemption of paid bonds by Federal Reserve banks.*—Upon receipt of the paid bonds the Federal Reserve bank will make immediate settlement with the forwarding bank for the total amount of payments made on such bonds: *However,* Such settlement shall be subject to adjustment if any discrepancies are discovered at a later date.

SEC. 321.15. *Losses resulting from payments.*—Section 22 of the Second Liberty Bond Act, as amended, provides:

(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations<sup>3</sup> as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any incorporated bank or trust company authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve bank, or the incorporated bank or trust company \* \* \*. The provisions of section 3<sup>4</sup> of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions

<sup>3</sup> Regulations governing replacement of losses resulting from payments made in connection with the redemption of United States savings bonds are set forth in Treasury Department Circular No. 751.

<sup>4</sup> The provisions of sec. 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury are—"Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction, or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States."



by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. \* \* \*

(a) *Consideration of facts concerning loss.*—In any case in which a loss occurs, the paying bank shall be afforded ample opportunity to present all of the facts pertaining to the circumstances of the payment for consideration by the Secretary.

SEC. 321.16. *Preservation of rights.*—Nothing contained in these regulations shall be construed to limit or restrict any existing rights which holders of savings bonds may have acquired under the circulars offering such bonds for sale and the regulations prescribed thereunder.

SEC. 321.17. *Redemption of bonds not payable by banks.*—Any bonds which a bank is not authorized to pay pursuant to the provisions of this circular should be forwarded by the owner, or his agent, after certification of the requests for payment, to the Federal Reserve bank or branch of the district for redemption. If a bank should undertake to forward such unpaid bonds at the request and in behalf of the person entitled to payment, such bonds must be sent separate and apart from bonds which the bank has paid. Any documentary evidence required to support the redemption should accompany the bond when forwarded to the Federal Reserve bank.

SEC. 321.18. *Functions of Federal Reserve banks.*—The Federal Reserve banks, as fiscal agents of the United States, are authorized to perform such duties, and prepare and issue such forms and instructions, as may be necessary to the fulfillment of the purpose and requirements of this circular. The Federal Reserve banks, in their discretion, may utilize any or all of their branches in the performance of these duties.

SEC. 321.19. *Supplements, amendments, etc.*—The Secretary of the Treasury may at any time or from time to time supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve banks and to the banks qualified hereunder.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

### Exhibit 23

*Regulations, June 30, 1945, governing payments by banks and other financial institutions in connection with the redemption of United States savings bonds*

[Department Circular No. 750, Revised. Public]Debt]

TREASURY DEPARTMENT,  
Washington, June 30, 1945.

Department Circular No. 750, dated September 5, 1944 (9 F. R. 10846), is hereby amended, effective July 2, 1945, and issued to read as follows:

Pursuant to the authority of the Second Liberty Bond Act, as amended, the following regulations are hereby prescribed to govern payments by banks and other financial institutions in connection with the redemption of United States savings bonds.

#### SUBPART A—AUTHORITY TO ACT

SEC. 321.1. *Financial institutions authorized to act.*—Commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions which (a) are incorporated under Federal law or under the laws of a State, territory or possession of the United States, the District of Columbia, or the Commonwealth of the Philippine Islands; (b) in the usual course of business accept, subject to withdrawal, funds for deposit or the purchase of shares; (c) are under the supervision of the banking department or equivalent authority of the jurisdiction in which incorporated; (d) maintain regular offices for the transaction of their business; and (e) are open daily and observe regular business hours, are eligible to become paying agents and, upon qualification in accordance with section 321.2 hereof, are hereby authorized to make payments in connection with the redemption of United States savings bonds, subject to the provisions of this circular and any instructions issued hereunder.

SEC. 321.2. *Application and qualification.*—Federal Reserve banks, as fiscal agents of the United States, are authorized to qualify eligible institutions hereunder, and to terminate any such qualification as hereinafter provided. Any eligible institution possessing adequate authority under its charter which desires



to qualify to make payments in connection with the redemption of United States savings bonds, should make application to the Federal Reserve bank of the Federal Reserve district in which it is located<sup>1</sup> on Application-Agreement Form PD 1958, Revised, copies of which may be obtained from the appropriate Federal Reserve bank. If the application is approved, the Federal Reserve bank will forward to the applicant a Notice of Qualification Form PD 1959, Revised, establishing that it is qualified to make payments in connection with the redemption of the United States savings bonds hereinafter specified. If the application is not approved, the applicant will be so advised in writing by the Federal Reserve bank of the district.

(a) *Continuation of existing qualifications.*—Any incorporated bank or trust company duly acting as a paying agent at the effective date of this revision may continue so to act under its present qualification, but subject to the terms and conditions of this circular.

SEC. 321.3. *Termination of an agent's qualification to pay bonds.*—The Secretary of the Treasury or under authority of the Secretary the appropriate Federal Reserve bank, as fiscal agent of the United States, may, by written notice, at any time and without previous demand or notice, terminate the qualification of any paying agent hereunder. A duly qualified paying agent may discontinue making payments at any time upon written notice to the Federal Reserve bank, and its qualification shall thereupon cease.

#### SUBPART B—GENERAL

SEC. 321.4. *Meaning of terms in this circular.*—For the purpose of this circular, unless otherwise indicated specifically, or by context, the terms:

(a) "Paying agent(s)" or "agent(s)" shall mean any eligible financial institution duly qualified pursuant to the provisions of this circular to make payments in connection with the redemption of the United States savings bonds hereinafter specified, including such branches located within the United States (including its territories and possessions and the Canal Zone) and the Commonwealth of the Philippine Islands, as it may wish to utilize. For the purpose of this circular the term "branches" shall include those bank facilities at Army and Navy installations and at defense plants which have been established for the duration of the war with the specific approval of the Treasury Department.

(b) "Bond(s)" shall include only United States savings bonds of Series A, B, C, D, or E, including bonds of Series E designated "Defense Savings Bonds" or "War Savings Bonds." (Savings bonds of Series F and G are not included.)

(c) "Owner(s)" shall mean an individual (natural person) whose name is inscribed as an owner (or coowner) in his own right on a bond which is registered in any of the following forms:

(1) In the name of a single individual in his own right, e. g., "John A. Jones";

(2) In the names of two individuals as coowners, e. g., "John A. Jones or Mrs. Ella S. Jones" (each is considered as an "owner," and payment may be made to either without the consent of the other); or

(3) In the name of one individual, payable on death to another, e. g., "John A. Jones, payable on death to Mrs. Ella S. Jones," or "John A. Jones, p. o. d. Mrs. Ella S. Jones." (In this example, John A. Jones is the "owner" and Mrs. Ella S. Jones is the beneficiary. Payment under this circular to a beneficiary is not authorized.)

(d) "Federal Reserve Bank" includes each Federal Reserve bank and each branch of a Federal Reserve bank conducting any of the transactions in connection with which the term is used in this circular.

SEC. 321.5. *Reimbursement of agents' costs.*—(a) Each paying agent shall be entitled to receive, for its service in paying bonds hereunder, reimbursement for bonds paid and forwarded to the Federal Reserve bank each calendar quarter according to the following scale, which shall be applicable separately to the agent and to each of its branches utilized in making payments hereunder, if the bonds paid by each are separately scheduled and accounted for:

15 cents each for the first 1,000 bonds.

10 cents each for all over 1,000 bonds.

<sup>1</sup> For the purpose of this circular, eligible institutions in Puerto Rico, the Virgin Islands, and the Canal Zone shall be considered as being within the Second Federal Reserve District and shall make application to the Federal Reserve Bank of New York, and eligible institutions in Alaska, Hawaii, Guam and the Philippine Islands shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.

The date such bonds are forwarded to the Federal Reserve bank will govern the rate of reimbursement, and the payment of such amount as the agent is entitled to receive shall be made by the Federal Reserve bank on behalf of the Treasury Department.

(b) Paying agents shall not make any charge whatever to owners of savings bonds in connection with payments hereunder.

SEC. 321.6. *Announcements, etc., of authority to pay bonds.*—Any announcement of or any reference to an agent's authority to pay savings bonds may be made only in a form or manner or contain such statements or substance as may be approved by the Secretary of the Treasury or, under authority of the Secretary, by the Federal Reserve bank of the district, as fiscal agent of the United States. An eligible financial institution shall not make such announcements or references unless and until it is officially qualified to pay bonds.

#### SUBPART C—SCOPE OF AUTHORITY OF PAYING AGENTS

SEC. 321.7. *General.*—In order to protect the interests of the owners and to insure receipt by the proper persons of the proceeds thereof, savings bonds are registered, are not transferable, and, in accordance with their terms, are payable only to the owner named on the bond (except as otherwise specifically provided in the regulations governing the bonds); they may not be used as security for loans or advances in any form. This policy must be understood and effectuated by each agent, notwithstanding the authority granted herein to make payments of bonds, since it is of the utmost importance that payment of the appropriate redemption value of the bonds be made only to and received by the persons entitled and strictly under the terms and conditions of the bonds and applicable regulations.

SEC. 321.8. *Payments—to owner named on bond.*—Subject to the terms of the bonds and to the provisions of the regulations governing them (Treasury Department Circular No. 530, as currently in effect on the date of payment) and the provisions of this circular, an agent may make payment of any United States savings bond of Series A, B, C, D, or E, to the individual (natural person) whose name is inscribed as the owner (or coowner) in his own right on the bond: *Provided*, That such individual presents the bond to the agent for payment and that the individual is known to the agent or establishes his identity to the complete satisfaction of the agent. This authority to make payments to the owner named on the bond will be held to include the following exceptional cases:

(a) *Payments—owner's name changed by marriage.*—Where the name of the owner as inscribed on the bond has been changed by marriage and the agent knows or can establish to its complete satisfaction the identity of the owner whose name has been so changed. The signature to the request for payment should show both names, for example—"Miss Mary T. Jones, now by marriage Mrs. Mary J. Smith." An agent is not authorized to pay a bond for an owner whose name as inscribed on the bond has been changed in any other manner.

(b) *Payments—to parent of a minor.*—Where the name of the owner inscribed on the bond is that of a minor child who is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act but upon whose behalf request for payment it made by a parent with whom the child resides: *Provided, however*, That the form of registration does not indicate a guardian or similar representative of the estate of the minor owner has been appointed or is otherwise legally qualified. The parent requesting payment on behalf of the minor child must be known or his or her identity established to the complete satisfaction of the agent, and the parent must sign the request for payment in the form—"John A. Jones, on behalf of John C. Jones" and affix an endorsement in substantially the following form, which may be typed on the back of the bond: "I certify that I am the ----- (father or mother) of John C. Jones and the person with whom he resides. He is ----- years of age and is not of sufficient competency and understanding to sign the request." Such a payment may not be made to any person other than a father or mother.

SEC. 321.9. *Specific limitations of payment authority.*—An agent is not authorized to pay a bond:

(a) If the bond is presented for payment prior to the expiration of 60 days from the issue date (the issue date should not be confused with the date appearing in the issuing agent's dating stamp). Any payment or advance to a bond owner before a bond is eligible for redemption is not authorized in any circumstance.

(b) If the agent does not know or cannot establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond (including the establishment of the identity of parents requesting payment on behalf of minor children, as set forth in sec. 321.8 (b)).

(c) If the owner requesting payment (form for which appears on the back of each bond) does not sign his name in ink as it is inscribed on the face of the bond and show his home or business address. (See also secs. 321.8 (a) and (b) and 321.10 (d).)

(d) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete or unauthorized inscription, issue date or issuing agent's validating stamp impression; or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof.

(e) If the bond is marked "Duplicate."

(f) If Treasury Department regulations require the submission of documentary evidence to support the redemption of the bond, as in the case of deceased owners, incompetents or minors under legal guardianship or the change of an owner's name as inscribed on a bond if for any reason other than marriage.

(g) If the owner named on the bond and requesting payment is a minor who, in the opinion of the agent, is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act. (Note the authority granted to agents to make payments of bonds to either parent on behalf of a minor child under the provisions of sec. 321.8 (b).)

(h) If it is known to the agent that the owner has been declared, in accordance with law, incompetent to manage his estate.

(i) If partial redemption is requested.

Attention is directed to section 321.17 hereof for handling bonds of the foregoing classes of cases which may not be paid by agents.

#### SUBPART D—PAYMENT AND ACCOUNTING

SEC. 321.10. *Examination of bonds presented for payment.*—Before making payment of bonds presented hereunder the agent:

(a) Shall determine that the person requesting payment as the "owner" (as defined in this circular) is known or his identity is established to the satisfaction of the agent.

(b) Shall examine the bond and determine that it is a bond which the agent is authorized to pay under the provisions of this circular.

(c) If the request for payment on the back of the bond is already executed, shall determine that the request is properly signed by the registered owner presenting the bond and that his home or business address is shown.

(d) If the request for payment on the back of the bond has not been executed or has been improperly executed by the owner presenting the bond, shall require such owner to properly sign the request and show his home or business address.

SEC. 321.11. *Certification of requests for payment.*—In view of the provisions of this circular governing payment of bonds and the requirements as to the data to be endorsed on each bond, under section 321.12, an agent will not be required in the case of any bond paid by it to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear on the bond at the time it is presented for payment: *Provided, however,* That each agent submitting paid bonds shall be understood by such submission to have represented and certified that the identity of the owner requesting payment has been duly established to the satisfaction of the agent by one of its officers or by an employee duly authorized by the agent.

SEC. 321.12. *Determination of redemption values and payment of bonds.*—The redemption value of a bond is determined from the period of time (years and full half-year) that it has been outstanding, and the table of redemption values on each bond. The Federal Reserve bank of the district will furnish each agent monthly with a table of redemption values from which it will be possible, after determining the month and year of issue of any bond, to immediately establish its current value. After establishing such value, payment thereof to the owner requesting payment shall be made in cash. No objection will be made to an arrangement between the owner and the agent under which the owner accepts, in lieu of cash, a credit to his checking, savings or share account with the agent, or a check or similar instrument payable to his order. Each agent shall place on the face of each bond paid by it the word "Paid," the amount and date of payment and the name, location and code number assigned to the agent by the Federal Reserve bank. Other data pertinent to the payment procedure of an agent may be included if approved by the Federal Reserve bank of the district. The Federal Reserve bank will furnish rubber stamps for this purpose or, in lieu thereof, will approve suitable stamps prepared by an agent. The affixation of such data shall be construed by and between the agent and the Treasury Department to be



a certification by the paying agent that the bond has been paid in accordance with the terms and requirements of this circular and that payment of the proceeds of the bond has been made to the owner.

SEC. 321.13. *Forwarding paid bonds to the Federal Reserve bank.*—After payment, the bonds shall be forwarded to the Federal Reserve bank of the district in accordance with instructions issued by such Federal Reserve bank.

SEC. 321.14. *Redemption of paid bonds by Federal Reserve banks.*—Upon receipt of the paid bonds the Federal Reserve bank will make immediate settlement with the paying agent for the total amount of payments made on such bonds; however, such settlement shall be subject to adjustment if any discrepancies are discovered at a later date.

SEC. 321.15. *Losses resulting from payments.*—Section 22 of the Second Liberty Bond Act, as amended, provides:

“(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations<sup>2</sup> as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve Bank, or any qualified paying agent authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve Bank, or the qualified paying agent. \* \* \* The provisions of section 3 of the Government Losses in Shipment Act, as amended,<sup>3</sup> with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. \* \* \*

(a) *Consideration of facts concerning loss.*—In any case in which a loss occurs, the paying agent shall be afforded ample opportunity to present all of the facts pertaining to the circumstances of the payment for consideration by the Secretary.

SEC. 321.16. *Preservation of rights.*—Nothing contained in these regulations shall be construed to limit or restrict any existing rights which holders of savings bonds may have acquired under the circulars offering such bonds for sale and the regulations prescribed thereunder.

SEC. 321.17. *Redemption of bonds not payable by agents.*—Any bonds which an agent is not authorized to pay pursuant to the provisions of this circular should be forwarded by the owner, or his agent, after certification of the requests for payment, to the Federal Reserve bank or branch of the District for redemption. If an agent should undertake to forward such unpaid bonds at the request and in behalf of the person entitled to payment, such bonds must be sent separate and apart from bonds which the agent has paid. Any documentary evidence required to support the redemption should accompany the bond or bonds when forwarded to the Federal Reserve bank.

SEC. 321.18. *Functions of Federal Reserve banks.*—The Federal Reserve banks, as fiscal agents of the United States, are authorized to perform such duties, and prepare and issue such forms and instructions, as may be necessary to the fulfillment of the purpose and requirements of this circular. The Federal Reserve banks, in their discretion, may utilize any or all of their branches in the performance of these duties.

SEC. 321.19. *Supplements, amendments, etc.*—The Secretary of the Treasury may at any time or from time to time revise, supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any revisions, supplements, or amendments thereto, information as to which will be furnished promptly to the Federal Reserve banks and to the agents qualified hereunder.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

<sup>2</sup> Regulations governing replacement of losses resulting from payments made in connection with the redemption of United States savings bonds are set forth in Treasury Department Circular No. 751, Revised.

<sup>3</sup> The provisions of sec. 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury are—“Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction, or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States.”



## Exhibit 24

*Regulations, September 5, 1944, governing replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses resulting from payments made in connection with the redemption of United States savings bonds*<sup>1</sup>

[Department Circular No. 751. Public Debt]

TREASURY DEPARTMENT,  
Washington, September 5, 1944.

## I. REGULATIONS PRESCRIBED

1. Pursuant to the authority of the Second Liberty Bond Act, as amended, the following regulations are hereby prescribed for the replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses to the United States resulting from payments made in connection with the redemption of United States savings bonds, and shall apply to losses resulting from payments made (1) by the Treasurer of the United States, (2) by the Federal Reserve banks and branches, as fiscal agents of the United States, and (3) by incorporated banks and trust companies qualified pursuant to Treasury Department Circular No. 750, to pay savings bonds.

## II. REPORTS OF LOSSES

1. A loss to the United States may result from an erroneous (or unauthorized) payment in connection with the redemption of savings bonds.

2. If an incorporated bank or trust company, qualified to pay savings bonds, after returns have been made to the Federal Reserve bank finds an erroneous payment to have been made, immediate report should be made to the Federal Reserve bank. Any such erroneous payments so reported, and any other erroneous payments found by a Federal Reserve bank in returns from an incorporated bank or trust company shall, so far as possible, be adjusted between the Federal Reserve bank and the incorporated bank or trust company concerned.

3. Any such erroneous payments which are not adjusted and any other erroneous payments otherwise found after the account of the Treasurer of the United States has been charged shall immediately be reported to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill.

## III. FINAL DETERMINATION OF LOSSES

1. Following receipt of the report of an erroneous payment the Treasury Department will appropriately advise the paying agent concerned, unless such action is unnecessary. The Department shall determine whether or not appropriate adjustment may be effected with the persons concerned in the erroneous payment and in this connection will expect the cooperation of the paying agent, if necessary.

(a) If it is determined that no loss to the United States will occur the paying agent will be so advised.

(b) If it is determined that a final loss to the United States has occurred, the paying agent will be given every opportunity to present the full facts relating to the payment for consideration of the Secretary of the Treasury. If the Secretary shall determine that the final loss resulted from no fault or negligence on the part of the paying agent, the paying agent shall be relieved from liability to the United States. If, however, the Secretary of the Treasury finds fault or negligence on the part of the paying agent, notice to that effect will be given such paying agent who will make prompt restitution.

2. In no case will the Treasurer of the United States, a Federal Reserve bank or branch, or the banking institution which made the erroneous payment be called upon to make restitution unless and until it is determined that a final loss has been incurred as a result of an erroneous payment due to the fault or negligence of such paying agent.

<sup>1</sup> Revised June 30, 1945, see p. 320.

## IV. REPLACEMENT OF LOSSES OUT OF THE FUND

1. When it is established to the satisfaction of the Secretary of the Treasury that a loss has resulted from a payment made in connection with the redemption of a United States savings bond, the loss shall be subject to immediate replacement out of the fund established by the Government Losses in Shipment Act, as amended. Any recovery or repayment on account of any such loss as to which replacement shall have been made out of the fund, shall be credited to the fund.

## V. INVESTIGATION OF LOSSES

1. The Treasury Department, and, in appropriate cases, Federal Reserve banks, as fiscal agents of the United States, may request the Secret Service to investigate losses and assist in the recovery of improper payments. The Treasurer of the United States, the Federal Reserve banks, and qualified banking institutions should cooperate with the Secret Service to the fullest extent in facilitating investigations and making recoveries.

## VI. SUPPLEMENTS, AMENDMENTS, ETC.

1. The Secretary of the Treasury may at any time or from time to time supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve banks and to banking institutions qualified to make payments of savings bonds under the provisions of Treasury Department Circular No. 750.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.

## Exhibit 25

*Regulations, June 30, 1945, governing replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses resulting from payments made in connection with the redemption of United States savings bonds*

[Department Circular No. 751, Revised. Public Debt]

TREASURY DEPARTMENT,  
Washington, June 30, 1945.

Department Circular No. 751, dated September 5, 1944 (9 F. R. 10848), is hereby amended and issued to read as follows:

## SUBPART A—REGULATIONS PRESCRIBED

SEC. 322.1. *Application of regulations.*—Pursuant to the authority of the Second Liberty Bond Act, as amended, the following regulations are hereby prescribed for the replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses to the United States resulting from payments made in connection with the redemption of United States savings bonds, and shall apply to losses resulting from payments made (1) by the Treasurer of the United States, (2) by any Federal Reserve bank or branch, as fiscal agent of the United States, and (3) by any bank or other financial institution qualified as a paying agent pursuant to Treasury Department Circular No. 750, Revised.

## SUBPART B—REPORTS OF LOSSES

SEC. 322.2. *Loss to the United States.*—A loss to the United States may result from an erroneous (or unauthorized) payment in connection with the redemption of savings bonds.

SEC. 322.3. *Erroneous payments reported to or discovered by Federal Reserve banks.*—If a financial institution, qualified to pay savings bonds, finds an erroneous payment to have been made, either before or after the bonds have been forwarded to the Federal Reserve bank, immediate report thereof should be made to the Federal Reserve bank. Any such erroneous payments so reported, and any other erroneous payments found by a Federal Reserve bank of bonds received from a duly qualified paying agent shall, so far as possible, be adjusted between the Federal Reserve bank and the paying agent concerned.

SEC. 322.4. *Report to Treasury of cases involving erroneous payments.*—Any such erroneous payments which cannot be adjusted by a Federal Reserve bank and any other erroneous payments found after the account of the Treasurer of the United States has been charged shall immediately be reported by the Federal Reserve bank to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Ill.

#### SUBPART C—FINAL DETERMINATION OF LOSSES

SEC. 322.5. *Reported erroneous payment, general action by Treasury.*—Following receipt of the report of an erroneous payment, the Treasury Department will appropriately advise the paying agent concerned, unless such action is unnecessary. The Department shall determine whether or not appropriate adjustment may be effected with the persons concerned in the erroneous payment and in this connection will expect the cooperation of the paying agent, if necessary.

(a) If it is determined that no loss to the United States will occur the paying agent will be so advised.

(b) If it is determined that a final loss to the United States has occurred, the paying agent will be given every opportunity to present the full facts relating to the payment for consideration of the Secretary of the Treasury. If the Secretary shall determine that the final loss resulted from no fault or negligence on the part of the paying agent, notice to that effect will be given the paying agent and he will be relieved from liability to the United States. If, however, the Secretary of the Treasury finds fault or negligence on the part of the paying agent, notice to that effect will be given such paying agent who will be expected to make prompt restitution.

SEC. 322.6. *Restitution by paying agents.*—In no case will the Treasurer of the United States, a Federal Reserve bank (including any of its branches) or the financial institution qualified as a paying agent under Department Circular No. 750, Revised, whichever made the erroneous payment, be called upon to make restitution unless and until the Secretary has determined that a final loss has been incurred as a result of an erroneous payment due to the fault or negligence of the paying agent.

#### SUBPART D—REPLACEMENT OF LOSSES OUT OF THE FUND

SEC. 322.7. *Replacement and recovery in connection with losses.*—When it is established to the satisfaction of the Secretary of the Treasury that a loss has resulted from a payment made in connection with the redemption of a United States savings bond, the loss shall be subject to immediate replacement out of the fund established by the Government Losses in Shipment Act, as amended. Any recovery or repayment on account of any such loss as to which replacement shall have been made out of the fund, shall be credited to the fund.

#### SUBPART E—INVESTIGATION OF LOSSES

SEC. 322.8. *Use of United States Secret Service.*—The Treasury Department, and, in appropriate cases, Federal Reserve banks, as fiscal agents of the United States, may request the Secret Service to investigate losses and assist in the recovery of improper payments. The Treasurer of the United States, the Federal Reserve banks, and qualified paying agents should cooperate with the Secret Service to the fullest extent in facilitating investigations and making recoveries and they will be expected to take such actions as may be necessary on their part to complete such investigations and recoveries.

#### SUBPART F—SUPPLEMENTS, AMENDMENTS, ETC.

SEC. 322.9. *Supplements, amendments, etc.*—The Secretary of the Treasury may at any time or from time to time supplement, amend, or withdraw, in whole or in part, the provisions of this circular, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve banks and to eligible financial institutions qualified to make payments of savings bonds under the provisions of Treasury Department Circular No. 750, Revised.

HENRY MORGENTHAU, Jr.,  
Secretary of the Treasury.



## Miscellaneous

## Exhibit 26

*An act to increase the debt limit of the United States, and for other purposes*

[Public Law 28, 79th Cong., H. R. 2404]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Debt Act of 1945".*

SEC. 2. Section 21 of the Second Liberty Bond Act, as amended, is further amended to read as follows:

"SEC. 21. The face amount of obligations issued under authority of this Act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate \$300,000,000,000 outstanding at any one time."

SEC. 3. Subsections (h) and (i) of section 22 of the Second Liberty Bond Act, as amended, as added by the Public Debt Act of 1943, are hereby amended to read as follows:

"(h) The Secretary of the Treasury, under such regulations as he may prescribe, may authorize or permit payments in connection with the redemption of savings bonds to be made by commercial banks, trust companies, savings banks, savings and loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions. No bank or other financial institution shall act as a paying agent until duly qualified as such under the regulations prescribed by the Secretary, nor unless (1) it is incorporated under Federal law or under the laws of a State, Territory, possession, the District of Columbia, or the Commonwealth of the Philippine Islands; (2) in the usual course of business it accepts, subject to withdrawal, funds for deposit or the purchase of shares; (3) it is under the supervision of the banking department or equivalent authority of the jurisdiction in which it is incorporated; and (4) it maintains a regular office for the transaction of its business.

"(i) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any qualified paying agent authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve bank, or the qualified paying agent. The Post Office Department or the Postal Service shall be relieved from such liability upon a joint determination by the Postmaster General and the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Post Office Department or the Postal Service. The provisions of section 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. All recoveries and repayments on account of such losses, as to which replacement shall have been made out of the fund, shall be credited to it and shall be available for the purposes thereof. The Secretary of the Treasury shall include in his annual report to the Congress a statement of all payments made from the fund pursuant to this subsection."

SEC. 4. The Second Liberty Bond Act, as amended, is further amended by adding at the end thereof the following sections:

"SEC. 23. A finding of death made by any official or agency of the United States authorized by section 5 of the Act of March 7, 1942, as amended (U. S. C. Supp. III, title 50, Appendix, sec. 1005), or by any other law to make such a finding, or by the Secretary of War or the Secretary of the Navy, shall be a sufficient proof of death to support the allowance of credit in the accounts of any Federal Reserve bank or accountable officer of the Treasury Department in any case involving the transfer, exchange, reissue, redemption, or payment of bonds and other obligations of the United States, including those obligations guaranteed by the United States for which the Treasury Department acts as transfer agent.

"SEC. 24. Whenever any direct obligation of the United States, bearing interest or sold on a discount basis, is donated to the United States, is bequeathed by will



to the United States, become the property of the United States under the terms of a trust, or is by its terms payable upon the death of the owner to the United States or any officer thereof in his official capacity, the Treasurer of the United States upon receipt of such obligation shall effect redemption thereof. If under applicable law such gift, bequest, or other transfer to the United States is subject to a gift or inheritance tax, the Treasurer shall pay such tax out of the proceeds of redemption and shall deposit the balance in the Treasury as miscellaneous receipts or as otherwise authorized by law. If no tax is payable the entire proceeds shall be so deposited."

SEC. 5. (a) Notwithstanding the provisions of section 3749 of the Revised Statutes, as amended, the Secretary of the Treasury is authorized to sell, exchange, or otherwise dispose of any bonds, notes, or other securities, acquired by him on behalf of the United States under judicial process or otherwise, or delivered to him by an executive department or agency of the United States for disposal, or to enter into arrangements for the extension of the maturity thereof, in such manner, in such amounts, at such prices, for cash, securities, or other property, or any combination thereof, and upon such terms and conditions as he may deem advisable and in the public interest. No such bonds, notes, or other securities of any single issuer having at the date of disposal an aggregate face or par value, or in the case of no-par stock an aggregate stated or book value, in excess of \$1,000,000, which may be held by the Secretary of the Treasury at any one time, shall be sold or otherwise disposed of under the authority of this section.

(b) Nothing contained in this section shall be construed to supersede or impair any authority otherwise granted to any officer or executive department or agency of the United States to sell, exchange, or otherwise dispose of any bonds, notes, or other securities, acquired by the United States under judicial process or otherwise.

Approved April 3, 1945.

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### Exhibit 27

*Statement of Secretary Morgenthau, April 18, 1945, relative to the maturity of adjusted service bonds on June 15, 1945 (press release April 18, 1945)*

Secretary of the Treasury Morgenthau today reminded veterans of the First World War who hold 3 percent adjusted service bonds of 1945, issued in payment of amounts due on adjusted service certificates, that the bonds, which are dated June 15, 1936, will mature on June 15, 1945, when the face amount of the bonds and interest for the full 9-year period will be payable. The amount due on each bond is \$63.50, which includes \$50 principal and \$13.50 interest. No further interest will accrue after June 15.

The bonds may be presented to any post office in the United States, where, after proper identification, the requests for payment on the backs of the bonds may be executed, that is, signed by the registered owner in the presence of the postmaster who will certify to the signature. The postmaster will issue a receipt for the bonds, and will forward them to the appropriate Federal Reserve bank for payment, without charge to the veteran. The bonds, of course, may be presented by owners direct to any Federal Reserve bank or branch, or to the Treasurer of the United States, Washington, D. C., after the requests for payment on the backs of the bonds have been properly executed. Payment will be made, in each instance, by check drawn to the order of the registered owner and mailed to his address.

Many veterans owning adjusted service bonds have expressed the wish to continue their investment and exchange their bonds for other interest-bearing securities. While direct exchanges are not possible, the Secretary pointed out the availability of war savings bonds, Series E, which are on sale at post offices and commercial banks generally, and at many other agencies. Any veteran, on receiving a check in payment of his adjusted service bonds, who wishes to invest the proceeds in Series E bonds should have no difficulty in applying his check to that purpose, particularly at any commercial bank where he is known or can be identified.

In addition to these bonds, United States savings bonds of Series F and G, which are on continuous sale, and, during the period of the Seventh War Loan drive, three series of Treasury bonds, in the denominations of \$500 and upwards, will be available for purchase up to June 30, when the subscription books will close. Information concerning any of these securities may be obtained from any

commercial bank, which bank doubtless will be pleased to handle any subscriptions for a veteran, and, if known to the bank, or on proper identification, accept his redemption check on the purchase price.

Because of the considerable number of adjusted service bonds outstanding which may be presented for redemption on June 15, in order to avoid the possibility of congestion, and to insure prompt payment when due, veterans are urged to forward their bonds well in advance of that date, but not before May 15. Any adjusted service bonds received on or after May 15, will be assumed to be presented for redemption on June 15, unless specific instructions for earlier redemption are given by the owner.

The veterans received bonds totaling \$1,847,488,400, and of these \$216,909,750 remain outstanding on which accrued interest to June 15 will amount to \$58,565,632.50. Accordingly the value of the outstanding bonds at their maturity is \$275,475,382.50.

### Exhibit 28

*Third amendment, May 11, 1945, to Department Circular No. 560, Revised, prescribing regulations governing adjusted service bonds*

TREASURY DEPARTMENT,  
Washington, May 11, 1945.

*To Owners of Adjusted Service Bonds, and Others Concerned:*

Department Circular No. 560, Revised, dated October 24, 1936 (31 C. F. R. 313), as amended, is hereby further amended by striking out paragraphs 3 and 9 of the regulations prescribed therein and inserting in lieu thereof the paragraphs 3, 9, and 9½ set forth below, and by adding a new paragraph, numbered 11½, also set forth below.

"3. Federal Reserve banks are designated as places for the redemption on and after January 16, 1937, of bonds, and are authorized to issue checks in payment for bonds transmitted to them in accordance with this and the next preceding paragraph. If a bond is to be transmitted for payment to a Federal Reserve bank directly by the registered owner, or through a banking institution acting as his agent, the request for payment must be executed in the presence of and be certified by one of the officers authorized in paragraph 12, except postmasters and other post office officials or employees.

"9. *Without administration.*—When no legal representative of the estate of a deceased bond owner has been or is to be appointed and it is established to the satisfaction of the Secretary of the Treasury either that the value of the gross personal estate of the deceased owner, including adjusted service bonds, does not exceed \$2,000 or that administration of the estate is not required in the State of the decedent's domicile, delivery or payment of a bond owned by such decedent will be made to the person determined by the Secretary of the Treasury to be lawfully entitled thereto. Such delivery or payment will be made in accordance with the provisions of Department Circular No. 300, as amended, in so far as applicable, such provisions to be construed in a manner consistent with the provisions of the Adjusted Compensation Payment Act, 1936, as amended, and the provisions of these regulations. Forms P. D. 1049 and 1050 must be completed and executed in compliance with the accompanying instructions. These forms may be obtained from the Treasury Department, Division of Loans and Currency, Washington, D. C. In all such cases instructions should be requested of that Division before a request for payment is executed or a bond submitted.

"9½. *Payment in the case of minors or incompetents not under legal guardianship.*—

"(a) *Payment to a minor.*—Payment may be made direct to a minor bond owner not under legal guardianship upon request of the minor if at the time payment is requested such minor is of sufficient competency and understanding to comprehend the nature of the transaction. In general, the fact that the request for payment has been signed by the minor and duly certified will be accepted as sufficient proof of such competency and understanding.

"(b) *Payment to a parent or other person on behalf of a minor.*—If a minor bond owner not under legal guardianship is not of sufficient competency and understanding to sign his name to the request and to comprehend the nature of the transaction, payment will be made to either parent of the minor with whom he resides, or if the minor does not reside with either parent, then to the person who furnishes his chief support. Such parent or other person must surrender the bond

with the request for payment properly executed, and furnish a certificate, which may be typed on the back of the bond, showing his right to act for the minor. If a parent signs the request, the certificate and signature thereto should be in substantially the following form:

"I certify that I am the mother (or father) of John C. Jones and the person with whom he resides. He is ----- years of age, is not under legal guardianship, and is not of sufficient competency to sign this request and to understand the nature of the transaction.

Mrs. Mary Jones on behalf of John C. Jones.'

"If a person other than a parent signs the request, the certificate and signature thereto, including a reference to the person's relationship, if any, to the minor, should be in substantially the following form:

"I certify that John C. Jones does not reside with either parent and that I furnish his chief support. He is ----- years of age, is not under legal guardianship, and is not of sufficient competency to sign this request and to understand the nature of the transaction.

Mrs. Alice Brown, grandmother, on behalf of John C. Jones.'

"(c) *Payment to incompetents.*—In any case where the adult owner of a bond has been judicially declared incompetent or such incompetency is otherwise established and no duly qualified legal representative of his estate is acting, payment will be made to any person (whether or not a member of the family of the incompetent) upon presentation of satisfactory proof that such person is acting in behalf of and for the benefit of the incompetent.

"The Treasury Department may in any particular case require further evidence as to the competency and understanding of a minor. It may also in any particular case require a minor to join in a request for payment executed by a parent or by another person or may require a parent or other person to join in a request for payment executed by a minor.

"11½. *Payment to joint fiduciaries.*—Where there are two or more persons acting as joint fiduciaries, such as administrators, executors, trustees or guardians of a bond owner's estate, the bond will be paid upon a properly executed request by any one or more of such fiduciaries but payment shall be for the account of all."

D. W. BELL,

*Acting Secretary of the Treasury.*

### Exhibit 29

*Press release, June 7, 1945, relative to maturing adjusted service bonds*

All 3 percent adjusted service bonds of 1945, issued to veterans of World War I, will mature and will cease to bear interest on June 15, Secretary Morgenthau said today. He added, however, that the Treasury will continue to issue these bonds after that date in exchange for unmatured adjusted service certificates. The bonds, when so issued, will be eligible for immediate payment.

According to information from the Veterans' Administration, some veterans still are holding unmatured certificates. Failure to exchange these for bonds before the certificates mature causes each certificate holder to lose 3 percent interest per annum for a period of 9 years on his certificate's maturity value. This is a loss of \$270 on a certificate with the value of \$1,000, or of about \$400 on a certificate with the maximum value, which was approximately \$1,500.

Secretary Morgenthau recalled that, originally, qualified World War I veterans received adjusted service certificates, which in effect were 20-year endowment insurance policies maturing in 20 years. Most of these certificates were issued as of January 1, 1925, but others bore later issue dates. Certificates which have not matured are those bearing issue dates of July 1, 1925, or later.

In 1936, Congress authorized the issuance of adjusted service bonds to each certificate holder, in the amount of the maturity value of the certificate. The bonds could be cashed immediately; if held, 3 percent interest per annum accrued on the bonds. Since the bonds, all dated June 15, 1936, were of 9-year maturity, interest on them will cease on June 15. It is of advantage to veterans therefore not only to exchange their unmatured certificates for bonds but to exchange them not later than June 15, Secretary Morgenthau pointed out.

Certificates intended for exchange for bonds must be submitted to the Veterans' Administration, which forwards authority to the Treasury for issuance of the bonds.

When adjusted service certificates are held to maturity, and not exchanged for bonds, the maturity value of the certificates is paid through the Veterans' Administration.



## Exhibit 30

*Letters from Secretary of the Treasury Morgenthau to commercial banks in connection with the Sixth and Seventh War Loans*

## LETTER TO COMMERCIAL BANKS, SIXTH WAR LOAN

TREASURY DEPARTMENT,  
November 1, 1944.

On November 20, 1944, the Treasury will open the Sixth War Loan drive. The goal for this drive will be \$14 billion, of which \$5 billion is to come from the sale of securities to individuals.

Since January 1, 1944, the direct costs of the war have exceeded \$69 billion. The critical phases of the war are still ahead of us and for that reason we cannot expect any material reduction in expenditures during the next several months. The \$14 billion is, therefore, urgently needed.

As in the last three war loans, sales will be confined to investors other than commercial banks. It is our wish, in this connection, to eliminate from the drive as far as possible those subscriptions which are speculative in character. You will remember that I included the following statement in the formal announcement of the drive on October 6:

"In order to help in achieving its objective of selling as many securities as possible outside of the banking system, the Treasury requests the cooperation of all banking institutions in declining to make speculative loans for the purchase of Government securities. The Treasury is in favor of the banks making loans to facilitate permanent investment in Government securities provided such loans are made in accord with the joint statement issued by the National and State Bank Supervisory Authorities on November 23, 1942. However, the Treasury requests the banks not to make loans for the purpose of acquiring the drive securities later for their own account."

Loans to facilitate investment in Government securities are a proper part of the financing mechanism when they are in accordance with the joint statement referred to above. This statement, you will recall, was in part as follows:

"\* \* \* subscribers relying upon anticipated income may wish to augment their subscriptions by temporary borrowings from banks. Such loans will not be subject to criticism but should be on a short term or amortization basis fully repayable within periods not exceeding 6 months."

In this connection it will be appreciated if you will examine the subscriptions for marketable issues presented through your bank to see if the amounts thereof are in excess of the ability of the subscribers to pay. If in your opinion such subscriptions are in excess of ability to pay or appear to have been submitted for the purpose of acquiring the securities for resale shortly after the drive, you will please submit the circumstances and all available information to the Federal Reserve bank of your district, as fiscal agent of the United States, from which you will receive instructions as to the disposition to be made of each case.

Another matter with respect to which I should also appreciate your continued cooperation is that of the transfer of funds for the purchase of Government securities. There has been a great improvement on this account since the Third War Loan. Over 10,000 banks have qualified to pay for customers' bond purchases by credit to a war loan deposit account, and if all the banks will urge clients to place orders for Government securities where funds are on deposit—making allocation of statistical credit when desired—transfers of funds can be continued at a satisfactory low level during the Sixth War Loan.

May I take this opportunity to express my deep appreciation of the great help you and other bankers have given the Treasury in promoting the sale of securities, in acting as sales agencies in the continuous sale of savings bonds, and in connection with its other war financing operations. We in the Treasury are looking forward to your continued cooperation in the task ahead of us.

Sincerely,

H. MORGENTHAU, Jr.,  
Secretary of the Treasury.



## LETTER TO COMMERCIAL BANKS, SEVENTH WAR LOAN

TREASURY DEPARTMENT,

March 20, 1945.

The Treasury will open the Seventh War Loan drive on May 14, 1945, with a goal of \$14 billion. One of the primary objectives of this drive will be the sale of \$7 billion of Government securities to individuals. This is the largest quota that has ever been set for individuals in a war loan drive. As a part of the campaign to raise this amount, an intensive program for the sale of Series E bonds in the plants and factories of the country will begin on April 9.

The Seventh War Loan will be a continuation of the Treasury's intensified war bond sales program. It is clear that Federal expenditures are going to remain at a high level for some time to come. It is also apparent that funds in the hands of nonbank investors will continue to increase sharply under present conditions. It is highly desirable to channel as much of these funds as possible into Government security investment, and to put them to work in the prosecution of the war.

To the extent that this objective can be accomplished, the amount of money obtained from the commercial banking system can be reduced. The basket of securities selected for the Seventh War Loan drive is designed to accomplish maximum investment of nonbanking funds, and to hold indirect participation of commercial bank funds to a minimum. With this in mind, the following changes in the pattern and procedure followed in previous drives have been made:

(a) The corporation quota has been reduced from the \$9 billion that was assigned in the Sixth Loan to \$7 billion. This will reduce State and county quotas in proportion and will cut down excessive subscriptions previously entered for speculative or quota-making purposes.

(b) The basket of securities offered to corporations does not contain the 1½ percent bond that will be available to individuals during the drive. It was in the corporate basket and on issues of this type that speculative subscriptions were entered in previous war loans, and substantial purchases of these issues were made with the proceeds of the sale of securities already owned.

(c) Nonbank investors have been requested to refrain from selling securities now owned solely for the purpose of obtaining funds with which to subscribe for the securities offered in the Seventh War Loan drive. This request is not intended to preclude normal portfolio adjustments.

I earnestly request your cooperation in the coming drive (1) in declining to make loans for the speculative purchase of Government securities; (2) in declining to accept subscriptions from your customers which appear to be entered for speculative purposes; and (3) in declining to make loans for the purpose of acquiring the drive securities later for your own account. If you have any doubt as to the propriety of accepting a subscription for a marketable issue presented through your bank, please submit the circumstances and all available information to the Federal Reserve bank of your district. That bank, in its capacity as fiscal agent of the United States, will advise you as to the disposition to be made of the subscription.

I further request your cooperation in declining to purchase outstanding securities from nonbank investors on the understanding or condition that a subscription for a substantially like amount of Treasury securities offered during the drive will be made through your bank with payment to be made through the war loan account.

The Treasury is in favor, of course, of loans to facilitate permanent investment in Government securities provided such loans conform to the provisions of the joint statement issued by the National and State Bank Supervisory Authorities on November 23, 1942. This statement, you will recall, reads in part as follows:

"\* \* \* subscribers relying upon anticipated income may wish to augment their subscriptions by temporary borrowing from banks. Such loans will not be subject to criticism but should be on a short-term or amortization basis fully repayable within periods not exceeding 6 months."

We in the Treasury realize the difficulties that the Federal Reserve banks and banking institutions generally have experienced in their efforts to handle subscriptions in accordance with our objectives during past drives. We also realize that it is impossible to apply absolutely uniform standards to the hundreds of thousands of subscriptions for the marketable securities which are received in the course of a big war loan drive. What is desired and expected is a cooperative effort to make the program as effective and equitable as possible.

Another matter with respect to which I should appreciate your continued cooperation is that of holding transfers of funds for the purchase of Government securities to a minimum. Statistical credits will, of course, be given to localities desired by the purchaser in the Seventh Loan as in previous drives.

I wish to take this opportunity to thank you for the real service that you and the other banks of the country have rendered in connection with the war loans, the issue of savings bonds, and our financing operations generally. I bespeak your continued help in the coming drive, to the end that we may obtain maximum investment in the securities offered of the type of funds we are most anxious to secure.

Sincerely,

H. MORGENTHAU, Jr.,  
Secretary of the Treasury.

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### Exhibit 31

*Addresses by Secretary of the Treasury Morgenthau to conferences of war finance workers*

ADDRESS AT ATLANTIC CITY, OCTOBER 7, 1944

You may not be aware of it but this meeting today is a kind of birthday celebration—a very important birthday in my calendar. Just about 10 years ago the first United States savings bonds—they used to be called baby bonds in those days—were sold to the American public. And in just a few months—next March to be precise—the oldest of these bonds will reach its maturity and be presented to the Treasury of the United States for redemption.

A birthday is a family affair. And I am especially happy to be able to celebrate this birthday with members of the immediate family that made savings bonds the most popular and most widely held form of investment ever conceived in the United States. I think you can be very proud of your adopted child. When the history of this war comes to be written I believe, indeed, that the savings bond program will have a highly honored place in it and that the job which you have done so generously and so effectively will be recorded as one of the major contributions to our victory.

I should like to go back with you for a few minutes to those early days, a decade ago, when war bonds were baby bonds. They were conceived then with a very definite purpose in view. That purpose was, in a phrase, to democratize public finance in the United States.

We in the Treasury wanted to give every American a direct personal stake in the maintenance of sound Federal finances. Every man and woman who owned a Government bond, we believed, would serve as a bulwark against the constant threats to Uncle Sam's pocketbook from pressure blocs and special interest groups. In short, we wanted the ownership of America to be in the hands of the American people.

We had made only a start in this direction, you will remember, when war broke out in Europe and threatened the security of the United States. But the foundation had been laid for real popular participation in an American preparedness program. Savings bonds became known as defense bonds. And, as you all know, they played an important part in making the Nation ready for the great crisis which came upon us at the end of 1941. They served not only as a vital factor in financing the rearmament of our fighting forces but, what seems to me even more important, they gave to the average citizen a sense of the war's meaning and of the urgent nature of the national danger.

When the enemy struck, the machinery was ready and in operation for the people's financing of the war. Defense bonds became war bonds and through your efforts they have been put into the hands of 85 million individual Americans. I congratulate you on the accomplishment. Think of it! Out of every 13 men, women, children and babies in the United States, more than 8 have purchased bonds of their Government. Today there are approximately \$23 billion of Series E bonds—the people's bond—outstanding, all held by individual investors.

This Series E bond was tailored specifically to meet the need of the average American citizen able to set aside modest savings for investment purposes. As all of you know, it is nonnegotiable and through arrangements which have recently been inaugurated, it is payable on demand 60 days after issue date, at any bank.

Its investment yield if held to maturity, 2.9 percent, is the highest obtainable on any United States Government security.

We designed this security in order to protect the small investor against any possibility of loss as a result of fluctuations in market value. Nonnegotiable securities with guaranteed redemption values are not subject to panicky liquidation which, experience shows, develops among small holders of marketable securities in the event of a decline in market value. In short, they are more likely to be retained as investments.

It is worth while to recall the experience following World War I when Liberty bonds plunged down into the eighties, and frightened buyers, inexperienced as investors, unloaded. They felt that their trust in their Government had been betrayed. Later they awoke to find that their loss had been the gain of the speculators and the wealthy who then owned their bonds at prices that brought them truly handsome yields on the safest securities in the world.

The Series E war bonds will have an immense value, I believe, not only for the individual holders, but for the economy of the country as a whole when the war is ended. They will constitute an invaluable backlog of purchasing power in the post-war decade. Only a part, and I believe the smaller part of this purchasing power will come from cashing the bonds themselves. The most important part will come from the greater spending of current incomes growing out of the sense of security afforded to individuals by their war bond holdings. They will provide, therefore, a strong bulwark against the sort of deflation which struck this Nation so disastrously in 1920 and 1921.

There is one aspect of the war bond program in which I take particular pride and upon which I want to offer my warm congratulations to you. Throughout, the program has been conducted on a genuinely voluntary, democratic basis. From the beginning, we were resolved to avoid certain high-pressure sales tactics which, unavoidably, attended the fund-raising of World War I. It was determined that there should be no compulsion, no hysteria, no slacker lists and no invidious comparisons between those who bought bonds and those who did not. There was to be room in this program for the individual with special burdens and responsibilities who could contribute only in very small amounts—and even for the individual who could not share at all. I think you know, and the whole Nation knows, how scrupulously this policy has been observed.

There was a good reason for it. In the early days of 1941, when I first asked Congress for authorization to borrow from the general public through a defense savings bond campaign, I said this:

“There exists in the country today an overwhelming desire on the part of nearly every man, woman, and child to make some direct and tangible contribution to the national defense. We ought to give them a sense of personal participation beyond that which comes from doing their daily job faithfully and well. Every day, letters come to me from people who ask, ‘What can I do to help?’ Our plan to offer securities attractive to all classes of investors is an attempt to answer this question. I can think of no other single way in which so many people can become partners of their Government in facing this emergency. It is the purpose of the Treasury to raise money for national defense by methods which strengthen the national morale.”

The desire of the people “to help,” the sense of participation in the national cause, could never have been realized except through a voluntary program. You will recall, of course, the clamor that arose for forced or compulsory savings. There were many who declared that only in this way could the stupendous sums needed for victory be raised. There were times, indeed, when those of us who had faith in voluntary methods seemed lonely voices crying in the wilderness. But there was one voice that never failed to support us—the voice of the President of the United States. He believed always that the people would respond to any call that was made upon them. He knew that the enlistment of their support could be best attained through a voluntary program adapted to the democratic pattern of American life.

But a voluntary program could succeed, of course, only through the efforts of volunteer workers. We in the Treasury could fulfill only the functions of a general staff. The real battle had to be fought and won in the field—fought and won by sustained, unstinting, tireless service. You have given that service. You have given it with a resourcefulness and enthusiasm and good cheer that have overridden every difficulty. You have given it at real sacrifice of time and comfort and self-interest. I think that the job that you have done is beyond my praise. I know that the richest reward you can receive for it is the knowledge that it has been done supremely well, that it has played an indispensable part in



our forward march to victory. Still, I should like, on behalf of the Treasury Department to say one simple word to you—Thanks. I shall venture nothing more than this. But I know that this one word is echoed, and will be reechoed, by every one of your fellow Americans.

When you enlisted in this program, you enlisted for the duration. The term of your service has not yet reached its end. The truth is that the toughest part of your job still lies ahead.

Let us look at the future realistically. The war news of late has been extremely good. The enemy in Europe is on the run. How soon he will collapse, none of us can tell. But even when that great day comes, there will still be a hard and costly victory to be won in Asia. Our military and naval authorities made the grim assertion just recently that it will take us at least a year and a half to defeat Japan after Germany is beaten. And we shall be able to do it in that time only if we put every bit of our strength into the effort. The enemy has short, interior lines of communication, while we must move men and materials across the vast distances of the Pacific before we can bring our power to bear. The costs of this kind of warfare will certainly be very high, higher even than they were in Europe.

You cannot rest on your laurels. The Sixth War Loan campaign lies immediately ahead. Its challenge must be confronted just as resolutely as in the past. And I tell you frankly that even on the most optimistic assumption there will have to be a Seventh Loan. Your job is to make the people of American understand that there can be no letdown on the Home Front now, that the time has not yet come to relax or celebrate. I know that America can count upon you to see your job through to its end.

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#### ADDRESS AT NEW ORLEANS, OCTOBER 12, 1944

Wars, now as always, are won on battlefields. But in modern war, which is total war, the Home Front is intimately involved. Economic stability at home is one of the absolute requisites to victory. For without economic stability it is impossible to maintain the vast and complex flow of supplies necessary for the men on the fighting lines.

It has been the task of the Treasury Department to finance the costliest war in history. I should like this afternoon to review with you in some detail the manner in which this task has been executed. Our problem has been something much more difficult than the mere raising of vast sums of money. The nub of the problem has been to raise these sums in such a way as to strengthen, rather than weaken, the national economy.

Half of the total resources of the United States are now being devoted to waging war. Since Pearl Harbor, war expenditures have amounted to about \$208 billion. During this same period, nonwar expenditures have been kept down to \$16 billion, making a total Government outlay for the course of the war to date of \$224 billion.

Where has this tremendous sum come from? Well, \$87 billion, or 39 percent of the total bill, has come from revenue.

During the fiscal year just ended, expenditures were slightly more than \$95 billion, and net receipts climbed to a little over \$44 billion, or 46 percent. This means that there has been an upward trend in our coverage of war costs through taxation. It is a trend which may be surprising to some and which certainly should be encouraging to all.

I want to put some emphasis on this trend since there have been charges of late that the Treasury has confused the public by persistent increases in the tax burden. In the year ended June 30, 1940, the last fiscal year before the beginning of the defense program, net Treasury receipts were slightly less than \$5,500 million. The \$44 billion total which, as I have just told you, the Government took in during the past year, was an eightfold increase—a larger increase than has taken place in the revenue collection of any other major belligerent of this war. This is an important thing to remember in international comparisons because the burden of taxation must be measured not only by its absolute magnitude but also by its rate of increase.

Now, I do not think there has been anything confusing about this. The American people, recognizing the need for greatly increased Government revenues, have submitted to the highest taxes in the Nation's history with remarkably good grace and good cheer. A sharp rise in taxes was absolutely necessary for the maintenance of economic stability.



But even after these record collections there remained the giant sum of \$137 billion, expended during the last 3 years, that had to be raised through some other means than taxation.

This money had to be raised by borrowing. It would have been relatively easy, of course, to raise it by borrowing from the banks. But in order to avoid inflation, it was essential that a major part of the increased debt be borrowed outside of the banking system—that is from the general public.

In selecting the Series E bonds as our primary vehicle for mass borrowing, we had in mind first of all the protection of the interests of the small investor. The Treasury Department has considered itself a trustee for the men and women who purchased Government securities primarily to help their country in time of stress. Such investors place their faith in their Government. We wanted, therefore, to protect them, through a nonnegotiable bond, against the kind of liquidation which, experience shows, develops among small holders of securities in the event of a decline in market value.

After World War I, Liberty bonds dropped in value down into the eighties, and many persons who had bought them during the war became frightened and sold them. They discovered later that their loss had been the gain of the speculators and the wealthy who then owned their bonds and gleaned from them truly handsome dividends on the safest security in the world. It is not unnatural that they should have felt that their trust in their Government had been betrayed.

The Series E bonds have another virtue which will be of benefit not only to those who have purchased them but to the entire national economy. When the war is over they will provide an invaluable backlog of purchasing power.

I don't think that these bonds are going to be redeemed in a sudden deluge immediately after V-day. On the contrary, I feel confident that most of those who bought them will make every effort to hold them to maturity. But possession of the bonds will give to these people a sense of security about the future which will permit them to spend their current incomes more freely than would otherwise be possible. We shall find this purchasing power immensely helpful during the reconversion period. It will prove, I am certain, a vital asset in warding off the sort of deflation which struck this Nation so disastrously in 1920 and 1921 when we turned from war to peace production.

Our fiscal policy of siphoning off excess buying power by taxing and borrowing from the general public has been one of two buttresses supporting the structure of economic stabilization. The other buttress, of course, has consisted of direct controls including rationing, price ceilings, allocations, etc.

During this war the country has devoted twice as large a proportion of its resources to war purposes as in World War I. In consequence, inflationary pressures have been very much greater. The fact is, however, that prices have been held under much closer control. Based on actual studies of price changes in World War I as compared with World War II, the savings to the Government, as a result of more effective control of inflationary pressures, has already amounted, by June 30 of this year, to \$70 billion.

But the greatest and most important saving has been that among the people themselves. In the course of this war there has been comparatively little of the reckless kind of silk shirt buying that took place as a result of inflated pay envelopes during World War I. There has been very little recourse to black markets. Instead, people have used their incomes, in considerable measure, to pay off their debts. Since the beginning of 1942, for example, farm mortgages have been reduced 15 percent. It is fair to say, I think, that the war bond program, by its encouragement of thrift, has contributed significantly to this sensible restraint in the expenditure of surplus income.

Of course, there have been other benefits of economic stabilization, too. The success of this policy has aided in preventing the piling up of excessive profits by fortunate business concerns, has helped to reduce industrial disputes to a minimum—and here I refer you to the factual record rather than the headlines—has prevented the impoverishment of recipients of fixed incomes including soldiers' dependents; and probably most important of all, it has averted what otherwise would have been almost a certainty, the likelihood of a post-war depression.

I have discussed the problems of war finance and economic stabilization in such detail because I feel that you have been and must continue to be vital partners in their solution. The record so far is one of which we can all be proud. It has been good in its accomplishments, perhaps even better in the fine cooperation which made these accomplishments possible. If this same tireless, unselfish cooperation is applied to the problems of the post-war world, we need have no fear of the future.

But the kind of post-war world which we desire must still be hacked from the enemy on the fields of battle. The time has not yet come for us to indulge in daydreaming or celebration. I am not going to offer any predictions about the end of the war in Europe. I should like to remind you, however, that much more competent military authorities than I have declared that even after the European war is won it will take us at least a year and a half to subdue our enemy in the Far East. The war that faces us there is bound to be a long and tough and costly one—in certain respects more costly than the war against Germany.

Let me remind you, too, that war expenditures do not stop abruptly with enemy capitulation. During the first 6 months following the armistice in World War I, expenditures were slightly greater than during the 6 months preceding the armistice. Completed and partially completed products must be paid for. Enemy countries must be occupied. Some relief for Allied Nations will certainly be necessary. The armed forces must be brought home and demobilized and, in the meantime, they must be paid and clothed and fed. I am sure that no American will want to fail in these responsibilities. They are costs that must be met if we are to make our victory complete and real. And like the costs of the war itself they must be met in such a way as to preserve and promote the stability of our economy.

The Sixth War Loan campaign, immediately ahead of us, is one essential step in the performance of this job. Your job is to overcome any disposition among the American people to relax before final victory has been achieved.

I know that you will do this job as you have done the job in the past. The success of the war bond program up to the present time has been your handiwork. It has been brought about because you tackled it with fervor and resourcefulness and devotion. I know that you have done your job only at real sacrifice of time and comfort and self-interest. And I know also that the only reward that you have sought for your services has been the knowledge that you have played an indispensable part in the Nation's progress to victory. I convey to you the very warm thanks of the Treasury Department, and I know that the work which you have done commands the gratitude of all of your fellow Americans.

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#### ADDRESS AT LOS ANGELES, OCTOBER 14, 1944

For the last week I have been addressing a number of meetings such as this in various parts of the country. During the course of these talks, I have endeavored to outline briefly some of the philosophy behind American war finance as we at the Treasury Department view it.

The democratic manner in which the financing of the war has been handled, I described last Saturday at Atlantic City. About 85 million individual Americans have bought bonds of their Government. They have bought them not as a result of compulsion but for purely patriotic reasons and because they are the best investment in the world.

Thursday, addressing a gathering similar to this at New Orleans, I emphasized the part which war finance has played in economic stabilization. The heavy tax burdens which the American people, generally speaking, have accepted with extraordinarily good grace and the large proportion of the increase in the public debt which has been absorbed by the men and women of this country, have played a very important part in holding inflation in check. The OPA has estimated that if prices during this war had risen as sharply as in World War I, there would have been approximately a \$70 billion increase in Government costs—a \$70 billion additional burden fastened onto the country.

Today I would like to conclude this résumé with a quick examination of interest rates and a glance at the post-war public debt problem as I see it.

The great expansion in the Federal debt has been achieved with virtually stable interest rates—thanks largely to your efforts. Such change as has occurred has been to slightly lower levels. This contrasts with World War I when almost each new series of bonds carried a higher interest rate, so that the cost trend was almost constantly upward. As a result, the average interest cost has been only 1¾ percent on the wartime increase in the public debt. This contrasts with 4¾ percent for World War I.

The resulting interest saving approximates \$4 billion a year—quite a tidy sum to have saved for the taxpayers of this Nation. Realization of your part in this saving, I believe, should give you, as it has us at the Treasury, a feeling of real accomplishment.

Moreover, and this is a point deserving of particular emphasis, the interest on all securities sold during the war has been fully taxable while the issues marketed during World War I were all either wholly or partially tax-exempt. This has resulted in a further net saving to the Treasury amounting to several hundred million dollars a year. Furthermore through removal of tax exemption, all purchasers of Government securities are taxed their share of the war cost in proportion to their ability to pay. This is a point which may not have occurred to you but which should be of help in the sale of E bonds.

Incidentally, the Government in eliminating tax exemption relinquished any "unfair" advantage it might have had over private borrowers in securing credit. It thereby served to strengthen the private enterprise system.

President Roosevelt, in his 1945 budget message, summarized the situation as follows:

"The primary achievement of our debt policy has been the maintenance of low and stable rates of interest. Average interest rates payable on the public debt now are less than 2 percent. Interest received from all new issues is fully taxable. As a result, the net cost per dollar borrowed since Pearl Harbor has been about a third the cost of borrowing in the First World War."

Personally, I do not anticipate a rise in interest rates in the foreseeable future. Savings are abundant and promise to be adequate to meet all likely demands. We believe, therefore, that we shall be able to refund our obligations, as they come due, at rates comparable to those now prevailing. Thus, the saving to the Treasury will continue over a long period of years. At the same time the people to whom you have sold the war bonds will continue to be satisfied rather than disgruntled customers.

Moreover, quite apart from its value to the Treasury—and, hence to the taxpayers—the continuance of low interest rates will provide a stimulus to the national economy in the post-war period. High interest rates limit enterprise and discourage employment. Low interest rates stimulate business and make for expanding employment.

Just as I see no reason for substantially higher interest rates in the post-war period, I do not see any need for a wholesale post-war funding of the public debt into long-term bonds.

In the first place, it would cost the taxpayers more in interest. Next, it would shift whatever risk there is inherent in fluctuating interest rates from the Government, which is able to bear it, to individuals, institutions, and corporations. Certainly the day is past when the United States Government need ask its citizens or its business enterprises to insure it against changes in the rate of interest.

Finally, we have endeavored to tailor the debt structure to the needs of those who lend us the money and of the national economy.

The small investor who purchases the Series E savings bonds places his faith in his Government. Could we do less than see to it that the securities offered him were suited to his needs.

The savings bonds, while not a war development, having been first offered 10 years ago, have proved an admirable war finance medium which we expect to carry over into the post-war period. We hope that many millions of people will continue to hold a financial stake in their Government.

Industrial corporations, as you know, have principally purchased certificates of indebtedness and Series C savings notes. These constitute a substantial part of their reserves for reconversion and post-war development. It is clearly advantageous not only to the corporations but to the whole economy that these reserves be liquid. The corporations thus know that the money will be available and without loss whenever they need it. When the proper time comes they can proceed full speed not only with their conversion but with any expansion plans they may have.

Finally, there are the Government securities which now constitute a large proportion of the assets of the commercial banks. Many of you are bankers. You know it has been our policy to encourage the banks to purchase issues of short maturity. As a consequence, about half the securities acquired by the commercial banking system since the beginning of the war have been bills and certificates maturing within 1 year and practically all have had a maturity of 10 years or under.

The result is that the banking system of the country is in a position of unparalleled liquidity. This, we believe, affords assurance against a recurrence of such unsettling deflation as came in the aftermath of World War I. Further, it



places the banking system in a strong position to meet the shifts in deposits that many of you anticipate with reconversion and the new business demands for funds that should accompany the development of a healthy, expanding economy.

In a word, the banks' part in war finance, great as it has been, instead of hamstringing them, has left them in a position to service enthusiastically a virile private enterprise system.

I might point out that the banks have not only been able to maintain a strongly liquid position as a result of the manner in which the Nation's war finance has been handled, but also they have found an opportunity for public service. This has enhanced the esteem with which they are held in their respective communities. Moreover, while they have been making this contribution to the war effort they have enjoyed an increase in earnings. Net profits of all member banks of the Federal Reserve System last year were back at almost exactly the all-time high level of 1929.

I want to thank you who have been the leaders in the war finance work in these great Western States—thank you upon the part of the Treasury, whose job it has been to direct the program, and, more important, thank you on behalf of the United States of America, which, of course, is the real beneficiary.

I am no prophet as to the duration of the war, but today we are hopeful that unconditional surrender by Germany may not be far away. At such time all eyes will turn to the West. The 11 States represented at this meeting will take on new importance in the war. The Pacific coast will become the springboard for the all-out offensive against Japan.

This should prompt you who have the job of raising the necessary money to redouble your efforts.

Our immediate task is to put over the Sixth War Loan, to do so just as decisively as our fighting men are establishing their positions in Europe and in the islands of the Pacific.

I know you understand the importance of this absolutely essential link in the war effort. But you must do more than understand it, you must make the people understand it, the men and the women in stores and offices, in factories, on the farms, and in their homes.

These people must understand, as you do, that the time has not yet come to relax or celebrate, that we must speed weapons and supplies far across the Pacific to our armed forces who know full well that a hard fight still lies ahead before they can bring us victory over the Japanese—and these weapons and supplies must be paid for. That is our task—I know America can count upon you!

## SECURITIES GUARANTEED BY THE UNITED STATES

### Exhibit 32

*Partial redemption, before maturity, of 2¾ percent mutual mortgage insurance fund debentures, Series B (twelfth call) and Series E (third call)*

[Department Circular No. 753. Public Debt]

TREASURY DEPARTMENT,  
Washington, October 4, 1944.

*To Holders of 2¾ Percent Mutual Mortgage Insurance Fund Debentures, Series B and E:*

#### 1. NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2¾ PERCENT MUTUAL MORTGAGE INSURANCE FUND DEBENTURES, SERIES B AND E

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2¾ percent mutual mortgage insurance fund debentures, Series B and E:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent mutual mortgage insurance fund debentures, Series B and E, of the denominations and serial numbers designated below, are hereby



called for redemption, at par and accrued interest, on January 1, 1945, on which date interest on such debentures shall cease:

<i>2¾ percent mutual mortgage insurance fund debentures, Series B</i>		<i>2¾ percent mutual mortgage insurance fund debentures, Series E</i>	
Denomination:	Serial Nos. (all numbers inclusive)	Denomination:	Serial Nos. (all numbers inclusive)
\$50.....	1,556 to 1,563	\$50.....	22
\$100.....	5,766 to 5,786	\$100.....	84 to 90
\$500.....	1,824 to 1,831	\$500.....	21 to 23
\$1,000.....	7,008 to 7,036	\$1,000.....	97 to 115
\$5,000.....	515 to 517		

"The debentures first issued, as determined by the serial numbers, were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1944. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after October 1, 1944, and provision will be made for the payment of final interest due January 1, 1945, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1, 1944, to December 31, 1944, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1945, or for purchase prior to that date will be given by the Secretary of the Treasury."

## II. TRANSACTIONS IN CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on January 1, 1945, are hereby designated twelfth-called 2¾ percent mutual mortgage insurance fund debentures, Series B, and third-called 2¾ percent mutual mortgage insurance fund debentures, Series E, and are hereinafter referred to as twelfth-called and third-called debentures.

2. Transfers and denominational exchanges in twelfth-called and third-called debentures will terminate at the close of business on September 30, 1944.

## III. REDEMPTION OR PURCHASE

1. Holders of twelfth-called and third-called debentures will be entitled to have such debentures redeemed and paid at par on January 1, 1945, with interest in full to that date, at the rate of \$13.75 per \$1,000. Interest on twelfth-called and third-called debentures will cease on January 1, 1945.

2. Holders of twelfth-called and third-called debentures have the privilege of presenting such debentures at any time from October 1 to December 31, 1944, inclusive, for purchase at par and accrued interest, at the rate of \$0.074728 per \$1,000 per day from July 1, 1944, to date of purchase.

## IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of twelfth-called and third-called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of twelfth-called and third-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. Twelfth-called and third-called debentures presented for redemption on January 1, 1945, or for purchase from October 1 to December 31, 1944, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 hereof, and should thereafter be presented and surrendered to any Federal Reserve bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., accompanied by appropriate written advice. (Use Form PD 1967.) The deben-

tures must be delivered at the expense and risk of the holders. (See par. 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on January 1, 1945, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of -----," inserting the name and address of the person to whom payment is to be made.

4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any twelfth-called and third-called debentures, whether purchased prior to or redeemed on or after January 1, 1945, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. A twelfth-called or a third-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after January 1, 1945, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to January 1, 1945, and in case of assignments for redemption on or after January 1, 1945, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of twelfth-called and third-called debentures on January 1, 1945, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before December 1, 1944. Such early presentation by holders will insure prompt payment of principal and interest when due.

#### V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of twelfth-called and third-called debentures under this circular may be obtained from any Federal Reserve bank or from the Division of Loans and Currency, Treasury Department, Washington 25, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of twelfth-called and third-called debentures.

D. W. BELL,  
*Acting Secretary of the Treasury.*

## Exhibit 33

*Partial redemption, before maturity, of 2¾ percent housing insurance fund debentures, Series C (first call) and Series D (second call)*

[Department Circular No. 754. Public Debt]

TREASURY DEPARTMENT,  
Washington, October 4, 1944.*To Holders of 2¾ Percent Housing Insurance Fund Debentures, Series C and D:*

## I. NOTICE OF CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2¾ PERCENT HOUSING INSURANCE FUND DEBENTURES, SERIES C AND D

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2¾ percent housing insurance fund debentures, Series C and D:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2¾ percent housing insurance fund debentures, Series C and D, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on January 1, 1945, on which date interest on such debentures shall cease:

<i>2¾ percent housing insurance fund debentures, Series C</i>		<i>2¾ percent housing insurance fund debentures, Series D</i>	
Denomination:	<i>Serial Nos. (all numbers inclusive)</i>	Denomination:	<i>Serial Nos. (all numbers inclusive)</i>
\$100-----	1 to 4	\$100-----	4 to 7
\$500-----	1	\$1,000-----	4 to 6
\$5,000-----	1	\$5,000-----	2
\$10,000-----	1 to 4	\$10,000-----	162 to 508

"The debentures first issued as determined by the serial numbers were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1944. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after October 1, 1944, and provision will be made for the payment of final interest due on January 1, 1945, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1, 1944, to December 31, 1944, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1945, or for purchase prior to that date will be given by the Secretary of the Treasury."

## II. TRANSACTIONS IN CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on January 1, 1945, are hereby designated first-called 2¾ percent housing insurance fund debentures, Series C, and second-called 2¾ percent housing insurance fund debentures, Series D, and are hereinafter referred to as first-called and second-called debentures.

2. Transfers and denominational exchanges in first-called and second-called debentures will terminate at the close of business on September 30, 1944.

## III. REDEMPTION OR PURCHASE

1. Holders of first-called and second-called debentures will be entitled to have such debentures redeemed and paid at par on January 1, 1945, with interest in full to that date, at the rate of \$13.75 per \$1,000. Interest on first-called and second-called debentures will cease on January 1, 1945.



2. Holders of first-called and second-called debentures have the privilege of presenting such debentures at any time from October 1 to December 31, 1944, inclusive, for purchase at par and accrued interest, at the rate of \$0.074728 per \$1,000 per day from July 1, 1944, to date of purchase.

#### IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of first-called and second-called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of first-called and second-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. First-called and second-called debentures presented for redemption on January 1, 1945, or for purchase from October 1 to December 31, 1944, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 hereof, and should thereafter be presented and surrendered to any Federal Reserve bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., accompanied by appropriate written advice. (Use Form PD 1968.) The debentures must be delivered at the expense and risk of the holders. (See par. 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on January 1, 1945, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of -----", inserting the name and address of the person to whom payment is to be made.

4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any first-called and second-called debentures, whether purchased prior to or redeemed on or after January 1, 1945, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. A first-called or a second-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after January 1, 1945, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to January 1, 1945, and in case of assignments for redemption on or after January 1, 1945, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by



registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of first-called and second-called debentures on January 1, 1945, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before December 1, 1944. Such early presentation by holders will insure prompt payment of principal and interest when due.

#### V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of first-called and second-called debentures under this circular may be obtained from any Federal Reserve bank or from the Division of Loans and Currency, Treasury Department, Washington 25, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of first-called and second-called debentures.

D. W. BELL,  
*Acting Secretary of the Treasury.*

### MONETARY DEVELOPMENTS

#### Exhibit 34

*Joint statement by the Secretary of the Treasury of the United States and the Secretary of Finance and Public Credit of Mexico, June 13, 1945, announcing the extension for 2 years of the stabilization agreement of 1941*

The following joint statement was issued today by the Secretary of the Treasury of the United States, Mr. Henry Morgenthau, Jr., in Washington, D. C., and by the Secretary of Finance and Public Credit of Mexico, Mr. Eduardo Suarez, in Mexico City, Mexico:

"The Stabilization Agreement of 1941 between the United States and Mexico, under which the United States stabilization fund undertakes to purchase Mexican pesos to the amount of \$40 million for the purpose of stabilizing the United States dollar-Mexican peso rate, has been extended today for a period of 2 years beyond June 30, 1945. The agreement also provides for periodic conferences among representatives of the two treasuries and the Bank of Mexico.

"The extension of the 1941 agreement is in accord with the policy of the Mexican and the United States Treasuries of maintaining the stability of the rate of exchange between the currencies of the two countries. In so doing, the foundation for stable economic and financial relations between Mexico and the United States is maintained. Once the international monetary fund proposed at Bretton Woods is in operation the stabilization agreement will be completely consistent with it and will serve to supplement the international organization's efforts to stabilize the rates of exchange between all the member countries.

"The extension of this agreement was signed today in Washington by the Secretary of the Treasury of the United States of America, the Chargé d'Affaires of Mexico representing the Secretary of Finance and Public Credit of Mexico and a special representative of the Bank of Mexico."

#### Exhibit 35

*Announcement, June 13, 1945, of the extension for 4 years of the agreement between the United States and Cuba relative to the sale of gold to Cuba*

The Secretary of the Treasury, Henry Morgenthau, Jr., and the Chargé d'Affaires of Cuba, Dr. Jose T. Baron, today extended for 4 years beyond June 30, 1945, the agreement under which the Government of the United States undertakes to sell gold to the Government of the Republic of Cuba. The agreement provides that payment may be made within 120 days after delivery of the gold, provided that the unpaid-for amount of gold shall not at any time exceed \$5,000,000.

The agreement which was extended today evidences the close cooperation that exists between the Treasuries of the Republic of Cuba and the United States,

and will enable the Cuban Treasury to carry out operations designed to stabilize the Cuban peso-United States dollar rate of exchange.

The agreement has been in operation since July 1942 and has proved to be very effective.

### Exhibit 36

#### *Articles of agreement for an international monetary fund and for an International Bank for Reconstruction and Development*<sup>1</sup>

##### CLOSING ADDRESS TO THE CONFERENCE BY SECRETARY OF THE TREASURY MORGENTHAU, PRESIDENT OF THE CONFERENCE

I am gratified to announce that the conference at Bretton Woods has completed successfully the task before it.

It was, as we knew when we began, a difficult task, involving complicated technical problems. We came here to work out methods which would do away with the economic evils—the competitive currency devaluation and destructive impediments to trade—which preceded the present war. We have succeeded in that effort.

The actual details of a financial and monetary agreement may seem mysterious to the general public. Yet at the heart of it lie the most elementary bread and butter realities of daily life. What we have done here in Bretton Woods is to devise machinery by which men and women everywhere can exchange freely, on a fair and stable basis, the goods which they produce through their labor. And we have taken the initial step through which the nations of the world will be able to help one another in economic development to their mutual advantage and for the enrichment of all.

The representatives of the 44 nations faced differences of opinion frankly, and reached an agreement which is rooted in genuine understanding. None of the nations represented here has had altogether its own way. We have had to yield to one another not in respect to principles or essentials but in respect to methods and procedural details. The fact that we have done so, and that we have done it in a spirit of good will and mutual trust, is, I believe, one of the hopeful and heartening portents of our time. Here is a sign blazoned upon the horizon, written large upon the threshold of the future—a sign for men in battle, for men at work in mines, and mills, and in the fields, and a sign for women whose hearts have been burdened and anxious lest the cancer of war assail yet another generation—a sign that the peoples of the earth are learning how to join hands and work in unity.

There is a curious notion that the protection of national interest and the development of international cooperation are conflicting philosophies—that somehow or other men of different nations cannot work together without sacrificing the interests of their particular nation. There has been talk of this sort—and from people who ought to know better—concerning the international cooperative nature of the undertaking just completed at Bretton Woods. I am perfectly certain that no delegation to this conference has lost sight for a moment of the particular national interest it was sent here to represent. The American delegation which I have the honor of leading, has been, at all times, conscious of its primary obligation—the protection of American interests. And the other representatives here have been no less loyal or devoted to the welfare of their own people.

Yet none of us has found any incompatibility between devotion to our own country and joint action. Indeed, we have found on the contrary that the only genuine safeguard for our national interests lies in international cooperation. We have come to recognize that the wisest and most effective way to protect our national interests is through international cooperation—that is to say, through united effort for the attainment of common goals. This has been the great lesson taught by the war, and is, I think, the great lesson of contemporary life—that the peoples of the earth are inseparably linked to one another by a deep, underlying community of purpose. This community of purpose is no less real and vital in peace than in war, and cooperation is no less essential to its fulfillment.

To seek the achievement of our aims separately through the planless, senseless rivalry that divided us in the past, or through the outright economic aggression which turned neighbors into enemies would be to invite ruin again upon us all. Worse, it would be once more to start our steps irretraceably down the steep,

<sup>1</sup> Final act of the United Nations Monetary and Financial Conference at Bretton Woods, N. H., July 22, 1944.

disastrous road to war. That sort of extreme nationalism belongs to an era that is dead. Today the only enlightened form of national self-interest lies in international accord. At Bretton Woods we have taken practical steps toward putting this lesson into practice in monetary and economic fields.

I take it as an axiom that after this war is ended no people—and therefore no government of the people—will again tolerate prolonged or wide-spread unemployment. A revival of international trade is indispensable if full employment is to be achieved in a peaceful world and with standards of living which will permit the realization of man's reasonable hopes.

What are the fundamental conditions under which the commerce among the nations can once more flourish?

First, there must be a reasonably stable standard of international exchange to which all countries can adhere without sacrificing the freedom of action necessary to meet their internal economic problems.

This is the alternative to the desperate tactics of the past—competitive currency depreciation, excessive tariff barriers, uneconomic barter deals, multiple currency practices, and unnecessary exchange restrictions—by which governments vainly sought to maintain employment and uphold living standards. In the final analysis, these tactics only succeeded in contributing to world-wide depression and even war. The international monetary fund agreed upon at Bretton Woods will help remedy this situation.

Second, long-term financial aid must be made available at reasonable rates to those countries whose industry and agriculture have been destroyed by the ruthless torch of an invader or by the heroic scorched earth policy of their defenders.

Long-term funds must be made available also to promote sound industry and increase industrial and agricultural production in nations whose economic potentialities have not yet been developed. It is essential to us all that these nations play their full part in the exchange of goods throughout the world.

They must be enabled to produce and to sell if they are to be able to purchase and consume. The International Bank for Reconstruction and Development is designed to meet this need.

Objections to this bank have been raised by some bankers and a few economists. The institution proposed by the Bretton Woods Conference would indeed limit the control which certain private bankers have in the past exercised over international finance. It would by no means restrict the investment sphere in which bankers could engage. On the contrary, it would expand greatly this sphere by enlarging the volume of international investment and would act as an enormously effective stabilizer and guarantor of loans which they might make. The chief purpose of the International Bank for Reconstruction and Development is to guarantee private loans made through the usual investment channels. It would make loans only when these could not be floated through the normal channels at reasonable rates. The effect would be to provide capital for those who need it at lower interest rates than in the past, and to drive only the usurious money lenders from the temple of international finance. For my own part, I cannot look upon the outcome with any sense of dismay. Capital, like any other commodity, should be free from monopoly control, and available upon reasonable terms to those who would put it to use for the general welfare.

The delegates and technical staff at Bretton Woods have completed their portion of the job. They have sat down together and talked as friends, and have perfected plans to cope with the international monetary and financial problems which all their countries face in common. These proposals now must be submitted to the legislatures and the peoples of the participating nations. They will pass upon what has been accomplished here.

The results will be of vital importance to everyone in every country. In the last analysis, it will help determine whether or not people will have jobs and the amount of money they are to find in their weekly pay envelope. More important still, it concerns the kind of world in which our children are to grow to maturity. It concerns the opportunities which will await millions of young men when at last they take off their uniforms and can come home to civilian jobs.

This monetary agreement is but one step, of course, in the broad program of international action necessary for the shaping of a free future. But it is an indispensable step in the vital test of our intentions. We are at a crossroad, and we must go one way or the other. The Conference at Bretton Woods has erected a signpost—a signpost pointing down a highway broad enough for all men to walk in step and side by side. If they will set out together, there is nothing on earth that need stop them.

BRETTON WOODS, N. H., *July 22, 1944.*



## ARTICLES OF AGREEMENT FOR AN INTERNATIONAL MONETARY FUND

The governments on whose behalf the present agreement is signed agree as follows:

## INTRODUCTORY ARTICLE

The international monetary fund is established and shall operate in accordance with the following provisions:

## ARTICLE I. PURPOSES

The purposes of the International monetary fund are:

(i) To promote international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems.

(ii) To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.

(iii) To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

(iv) To assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

(v) To give confidence to members by making the fund's resources available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

(vi) In accordance with the above, to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

The fund shall be guided in all its decisions by the purposes set forth in this article.

## ARTICLE II. MEMBERSHIP

SECTION 1. *Original members.*—The original members of the fund shall be those of the countries represented at the United Nations Monetary and Financial Conference whose governments accept membership before the date specified in article XX, section 2 (e).

SEC. 2. *Other members.*—Membership shall be open to the governments of other countries at such times and in accordance with such terms as may be prescribed by the fund.

## ARTICLE III. QUOTAS AND SUBSCRIPTIONS

SECTION 1. *Quotas.*—Each member shall be assigned a quota. The quotas of the members represented at the United Nations Monetary and Financial Conference which accept membership before the date specified in article XX, section 2 (e), shall be those set forth in schedule A. The quotas of other members shall be determined by the fund.

SEC. 2. *Adjustment of quotas.*—The fund shall at intervals of 5 years review, and if it deems it appropriate propose an adjustment of, the quotas of the members. It may also, if it thinks fit, consider at any other time the adjustment of any particular quota at the request of the member concerned. A four-fifths majority of the total voting power shall be required for any change in quotas and no quota shall be changed without the consent of the member concerned.

SEC. 3. *Subscriptions: Time, place, and form of payment.*—(a) The subscription of each member shall be equal to its quota and shall be paid in full to the fund at the appropriate depository on or before the date when the member becomes eligible under article XX, section 4 (c) or (d), to buy currencies from the fund.

(b) Each member shall pay in gold, as a minimum, the smaller of

(i) twenty-five percent of its quota; or

(ii) ten percent of its net official holdings of gold and United States dollars as at the date when the fund notifies members under article XX, section 4 (a) that it will shortly be in a position to begin exchange transactions.

Each member shall furnish to the fund the data necessary to determine its net official holdings of gold and United States dollars.

(c) Each member shall pay the balance of its quota in its own currency.



(d) If the net official holdings of gold and United States dollars of any member as at the date referred to in (b) (ii) above are not ascertainable because its territories have been occupied by the enemy, the fund shall fix an appropriate alternative date for determining such holdings. If such date is later than that on which the country becomes eligible under article XX, section 4 (c) or (d), to buy currencies from the fund, the fund and the member shall agree on a provisional gold payment to be made under (b) above, and the balance of the member's subscription shall be paid in the member's currency, subject to appropriate adjustment between the member and the fund when the net official holdings have been ascertained.

SEC. 4. *Payments when quotas are changed.*—(a) Each member which consents to an increase in its quota shall, within 30 days after the date of its consent, pay to the fund 25 percent of the increase in gold and the balance in its own currency. If, however, on the date when the member consents to an increase, its monetary reserves are less than its new quota, the fund may reduce the proportion of the increase to be paid in gold.

(b) If a member consents to a reduction in its quota, the fund shall, within 30 days after the date of the consent, pay to the member an amount equal to the reduction. The payment shall be made in the member's currency and in such amount of gold as may be necessary to prevent reducing the fund's holdings of the currency below seventy-five percent of the new quota.

SEC. 5. *Substitution of securities for currency.*—The fund shall accept from any member in place of any part of the member's currency which in the judgment of the fund is not needed for its operations, notes or similar obligations issued by the member or the depository designated by the member under article XIII, section 2, which shall be nonnegotiable, noninterest-bearing and payable at their par value on demand by crediting the account of the fund in the designated depository. This section shall apply not only to currency subscribed by members but also to any currency otherwise due to, or acquired by, the fund.

#### ARTICLE IV. PAR VALUES OF CURRENCIES

SECTION 1. *Expression of par values.*—(a) The par value of the currency of each member shall be expressed in terms of gold as a common denominator or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

(b) All computations relating to currencies of members for the purpose of applying the provisions of this agreement shall be on the basis of their par values.

SEC. 2. *Gold purchases based on par values.*—The fund shall prescribe a margin above and below par value for transactions in gold by members, and no member shall buy gold at a price above par value plus the prescribed margin, or sell gold at a price below par value minus the prescribed margin.

SEC. 3. *Foreign exchange dealings based on parity.*—The maximum and the minimum rates for exchange transactions between the currencies of members taking place within their territories shall not differ from parity

(i) in the case of spot exchange transactions, by more than 1 percent; and

(ii) in the case of other exchange transactions, by a margin which exceeds the margin for spot exchange transactions by more than the fund considers reasonable.

SEC. 4. *Obligations regarding exchange stability.*—(a) Each member undertakes to collaborate with the fund to promote exchange stability, to maintain orderly exchange arrangements with other members, and to avoid competitive exchange alterations.

(b) Each member undertakes, through appropriate measures consistent with this agreement, to permit within its territories exchange transactions between its currency and the currencies of other members only within the limits prescribed under section 3 of this article. A member whose monetary authorities, for the settlement of international transactions, in fact freely buy and sell gold within the limits prescribed by the fund under section 2 of this article shall be deemed to be fulfilling this undertaking.

SEC. 5. *Changes in par values.*—(a) A member shall not propose a change in the par value of its currency except to correct a fundamental disequilibrium.

(b) A change in the par value of a member's currency may be made only on the proposal of the member and only after consultation with the fund.

(c) When a change is proposed, the fund shall first take into account the changes, if any, which have already taken place in the initial par value of the member's currency as determined under article XX, section 4. If the proposed change, together with all previous changes, whether increases or decreases,

(i) does not exceed 10 percent of the initial par value, the fund shall raise no objection;

(ii) does not exceed a further 10 percent of the initial par value, the fund may either concur or object, but shall declare its attitude within 72 hours if the member so requests;

(iii) is not within (i) or (ii) above, the fund may either concur or object, but shall be entitled to a longer period in which to declare its attitude.

(d) Uniform changes in par values made under section 7 of this article shall not be taken into account in determining whether a proposed change falls within (i), (ii), or (iii) of (c) above.

(e) A member may change the par value of its currency without the concurrence of the fund if the change does not affect the international transactions of members of the fund.

(f) The fund shall concur in a proposed change which is within the terms of (c) (i) or (c) (iii) above if it is satisfied that the change is necessary to correct a fundamental disequilibrium. In particular, provided it is so satisfied, it shall not object to a proposed change because of the domestic social or political policies of the member proposing the change.

SEC. 6. *Effect of unauthorized changes.*—If a member changes the par value of its currency despite the objection of the fund, in cases where the fund is entitled to object, the member shall be ineligible to use the resources of the fund unless the fund otherwise determines; and if, after the expiration of a reasonable period, the difference between the member and the fund continues, the matter shall be subject to the provisions of article XV, section 2 (b).

SEC. 7. *Uniform changes in par values.*—Notwithstanding the provisions of section 5 (b) of this article, the fund by a majority of the total voting power may make uniform proportionate changes in the par values of the currencies of all members, provided each such change is approved by every member which has 10 percent or more of the total of the quotas. The par value of a member's currency shall, however, not be changed under this provision if, within 72 hours of the fund's action, the member informs the fund that it does not wish the par value of its currency to be changed by such action.

SEC. 8. *Maintenance of gold value of the fund's assets.*—(a) The gold value of the fund's assets shall be maintained notwithstanding changes in the par or foreign exchange value of the currency of any member.

(b) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the fund, depreciated to a significant extent within that member's territories, the member shall pay to the fund within a reasonable time an amount of its own currency equal to the reduction in the gold value of its currency held by the fund.

(c) Whenever the par value of a member's currency is increased, the fund shall return to such member within a reasonable time an amount in its currency equal to the increase in the gold value of its currency held by the fund.

(d) The provisions of this section shall apply to a uniform proportionate change in the par values of the currencies of all members, unless at the time when such a change is proposed the fund decides otherwise.

SEC. 9. *Separate currencies within a member's territories.*—A member proposing a change in the par value of its currency shall be deemed, unless it declares otherwise, to be proposing a corresponding change in the par value of the separate currencies of all territories in respect of which it has accepted this agreement under article XX, section 2 (g). It shall, however, be open to a member to declare that its proposal relates either to the metropolitan currency alone, or only to one or more specified separate currencies, or to the metropolitan currency and one or more specified separate currencies.

#### ARTICLE V. TRANSACTIONS WITH THE FUND

SECTION 1. *Agencies dealing with the fund.*—Each member shall deal with the fund only through its treasury, central bank, stabilization fund, or other similar fiscal agency and the fund shall deal only with or through the same agencies.

SEC. 2. *Limitation on the fund's operations.*—Except as otherwise provided in this agreement, operations on the account of the fund shall be limited to transactions for the purpose of supplying a member, on the initiative of such member, with the currency of another member in exchange for gold or for the currency of the member desiring to make the purchase.

SEC. 3. *Conditions governing use of the fund's resources.*—(a) A member shall be entitled to buy the currency of another member from the fund in exchange for its own currency subject to the following conditions:

(i) The member desiring to purchase the currency represents that it is presently needed for making in that currency payments which are consistent with the provisions of this agreement;

(ii) The fund has not given notice under article VII, section 3, that its holdings of the currency desired have become scarce;

(iii) The proposed purchase would not cause the fund's holdings of the purchasing member's currency to increase by more than 25 percent of its quota during the period of 12 months ending on the date of the purchase nor to exceed 200 percent of its quota, but the 25 percent limitation shall apply only to the extent that the fund's holdings of the member's currency have been brought above 75 percent of its quota if they had been below that amount;

(iv) The fund has not previously declared under section 5 of this article, article IV, section 6, article VI, section 1, or article XV, section 2 (a), that the member desiring to purchase is ineligible to use the resources of the fund.

(b) A member shall not be entitled without the permission of the fund to use the fund's resources to acquire currency to hold against forward exchange transactions.

SEC. 4. *Waiver of conditions.*—The fund may in its discretion, and on terms which safeguard its interests, waive any of the conditions prescribed in section 3 (a) of this article, especially in the case of members with a record of avoiding large or continuous use of the fund's resources. In making a waiver it shall take into consideration periodic or exceptional requirements of the member requesting the waiver. The fund shall also take into consideration a member's willingness to pledge as collateral security gold, silver, securities, or other acceptable assets having a value sufficient in the opinion of the fund to protect its interests and may require as a condition of waiver the pledge of such collateral security.

SEC. 5. *Ineligibility to use the fund's resources.*—Whenever the fund is of the opinion that any member is using the resources of the fund in a manner contrary to the purposes of the fund, it shall present to the member a report setting forth the views of the fund and prescribing a suitable time for reply. After presenting such a report to a member, the fund may limit the use of its resources by the member. If no reply to the report is received from the member within the prescribed time, or if the reply received is unsatisfactory, the fund may continue to limit the member's use of the fund's resources or may, after giving reasonable notice to the member, declare it ineligible to use the resources of the fund.

SEC. 6. *Purchases of currencies from the fund for gold.*—(a) Any member desiring to obtain, directly or indirectly, the currency of another member for gold shall, provided that it can do so with equal advantage, acquire it by the sale of gold to the fund.

(b) Nothing in this section shall be deemed to preclude any member from selling in any market gold newly produced from mines located within its territories.

SEC. 7. *Repurchase by a member of its currency held by the fund.*—(a) A member may repurchase from the fund and the fund shall sell for gold any part of the fund's holdings of its currency in excess of its quota.

(b) At the end of each financial year of the fund, a member shall repurchase from the fund with gold or convertible currencies, as determined in accordance with schedule B, part of the fund's holdings of its currency under the following conditions:

(i) Each member shall use in repurchases of its own currency from the fund an amount of its monetary reserves equal in value to one-half of any increase that has occurred during the year in the fund's holdings of its currency plus one-half of any increase, or minus one-half of any decrease, that has occurred during the year in the member's monetary reserves. This rule shall not apply when a member's monetary reserves have decreased during the year by more than the fund's holdings of its currency have increased.

(ii) If after the repurchase described in (i) above (if required) has been made, a member's holdings of another member's currency (or of gold acquired from that member) are found to have increased by reason of transactions in terms of that currency with other members or persons in their territories, the member whose holdings of such currency (or gold) have thus increased shall use the increase to repurchase its own currency from the fund.

(c) None of the adjustments described in (b) above shall be carried to a point at which

(i) the member's monetary reserves are below its quota, or

(ii) the fund's holdings of its currency are below 75 percent of its quota, or

(iii) the fund's holdings of any currency required to be used are above 75 percent of the quota of the member concerned.



SEC. 8. *Charges.*—(a) Any member buying the currency of another member from the fund in exchange for its own currency shall pay a service charge uniform for all members of three-fourths percent in addition to the parity price. The fund in its discretion may increase this service charge to not more than 1 percent or reduce it to not less than one-half percent.

(b) The fund may levy a reasonable handling charge on any member buying gold from the fund or selling gold to the fund.

(c) The fund shall levy charges uniform for all members which shall be payable by any member on the average daily balances of its currency held by the fund in excess of its quota. These charges shall be at the following rates:

(i) *On amounts not more than 25 percent in excess of the quota:* No charge for the first 3 months; one-half percent per annum for the next 9 months; and thereafter an increase in the charge of one-half percent for each subsequent year.

(ii) *On amounts more than 25 percent and not more than 50 percent in excess of the quota:* An additional one-half percent for the first year; and an additional one-half percent for each subsequent year.

(iii) *On each additional bracket of 25 percent in excess of the quota:* An additional one-half percent for the first year; and an additional one-half percent for each subsequent year.

(d) Whenever the fund's holdings of a member's currency are such that the charge applicable to any bracket for any period has reached the rate of 4 percent per annum, the fund and the member shall consider means by which the fund's holdings of the currency can be reduced. Thereafter, the charges shall rise in accordance with the provisions of (c) above until they reach 5 percent and failing agreement, the fund may then impose such charges as it deems appropriate.

(e) The rates referred to in (c) and (d) above may be changed by a three-fourths majority of the total voting power.

(f) All charges shall be paid in gold. If, however, the member's monetary reserves are less than one-half of its quota, it shall pay in gold only that proportion of the charges due which such reserves bear to one-half of its quota, and shall pay the balance in its own currency.

#### ARTICLE VI. CAPITAL TRANSFERS

SECTION 1. *Use of the fund's resources for capital transfers.*—(a) A member may not make net use of the fund's resources to meet a large or sustained outflow of capital, and the fund may request a member to exercise controls to prevent such use of the resources of the fund. If, after receiving such a request, a member fails to exercise appropriate controls, the fund may declare the member ineligible to use the resources of the fund.

(b) Nothing in this section shall be deemed.

(i) to prevent the use of the resources of the fund for capital transactions of reasonable amount required for the expansion of exports or in the ordinary course of trade, banking or other business, or

(ii) to affect capital movements which are met out of a member's own resources of gold and foreign exchange, but members undertake that such capital movements will be in accordance with the purposes of the fund.

SEC. 2. *Special provisions for capital transfers.*—If the fund's holdings of the currency of a member have remained below 75 percent of its quota for an immediately preceding period of not less than 6 months, such member, if it has not been declared ineligible to use the resources of the fund under section 1, of this article, article IV, section 6, article V, section 5, or article XV, section 2 (a), shall be entitled, notwithstanding the provisions of section 1 (a) of this article, to buy the currency of another member from the fund with its own currency for any purpose, including capital transfers. Purchases for capital transfers under this section shall not, however, be permitted if they have the effect of raising the fund's holdings of the currency of the member desiring to purchase above 75 percent of its quota, or of reducing the fund's holdings of the currency desired below 75 percent of the quota of the member whose currency is desired.

SEC. 3. *Controls of capital transfers.*—Members may exercise such controls as are necessary to regulate international capital movements, but no member may exercise these controls in a manner which will restrict payments for current transactions or which will unduly delay transfers of funds in settlement of commitments, except as provided in article VII, section 3 (b), and in article XIV, section 2.



## ARTICLE VII. SCARCE CURRENCIES

SECTION 1. *General scarcity of currency.*—If the fund finds that a general scarcity of a particular currency is developing, the fund may so inform members and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. A representative of the member whose currency is involved shall participate in the preparation of the report.

SEC. 2. *Measures to replenish the fund's holdings of scarce currencies.*—The fund may, if it deems such action appropriate to replenish its holdings of any member's currency, take either or both of the following steps:

(i) Propose to the member that, on terms and conditions agreed between the fund and the member, the latter lend its currency to the fund or that, with the approval of the member, the fund borrow such currency from some other source either within or outside the territories of the member, but no member shall be under any obligation to make such loans to the fund or to approve the borrowing of its currency by the fund from any other source.

(ii) Require the member to sell its currency to the fund for gold.

SEC. 3. *Scarcity of the fund's holdings.*—(a) If it becomes evident to the fund that the demand for a member's currency seriously threatens the fund's ability to supply that currency, the fund, whether or not it has issued a report under section 1 of this article, shall formally declare such currency scarce and shall thenceforth apportion its existing and accruing supply of the scarce currency with due regard to the relative needs of members, the general international economic situation, and any other pertinent considerations. The fund shall also issue a report concerning its action.

(b) A formal declaration under (a) above shall operate as an authorization to any member, after consultation with the fund, temporarily to impose limitations on the freedom of exchange operations in the scarce currency. Subject to the provisions of article IV, sections 3 and 4, the member shall have complete jurisdiction in determining the nature of such limitations, but they shall be no more restrictive than is necessary to limit the demand for the scarce currency to the supply held by, or accruing to, the member in question; and they shall be relaxed and removed as rapidly as conditions permit.

(c) The authorization under (b) above shall expire whenever the fund formally declares the currency in question to be no longer scarce.

SEC. 4. *Administration of restrictions.*—Any member imposing restrictions in respect of the currency of any other member pursuant to the provisions of section 3 (b) of this article shall give sympathetic consideration to any representations by the other member regarding the administration of such restrictions.

SEC. 5. *Effect of other international agreements on restrictions.*—Members agree not to invoke the obligations of any engagements entered into with other members prior to this agreement in such a manner as will prevent the operation of the provisions of this article.

## ARTICLE VIII. GENERAL OBLIGATIONS OF MEMBERS

SECTION 1. *Introduction.*—In addition to the obligations assumed under other articles of this agreement, each member undertakes the obligations set out in this article.

SEC. 2. *Avoidance of restrictions on current payments.*—(a) Subject to the provisions of article VII, section 3 (b), and article XIV, section 2, no member shall, without the approval of the fund, impose restrictions on the making of payments and transfers for current international transactions.

(b) Exchange contracts which involve the currency of any member and which are contrary to the exchange control regulations of that member maintained or imposed consistently with this agreement shall be unenforceable in the territories of any member. In addition, members may, by mutual accord, cooperate in measures for the purpose of making the exchange control regulations of either member more effective, provided that such measures and regulations are consistent with this agreement.

SEC. 3. *Avoidance of discriminatory currency practices.*—No member shall engage in, or permit any of its fiscal agencies referred to in article V, section 1, to engage in, any discriminatory currency arrangements or multiple currency practices except as authorized under this agreement or approved by the fund. If such arrangements and practices are engaged in at the date when this agreement enters into force the member concerned shall consult with the fund as to their progressive

removal unless they are maintained or imposed under article XIV, section 2, in which case the provisions of section 4 of that article shall apply.

SEC. 4. *Convertibility of foreign-held balances.*—(a) Each member shall buy balances of its currency held by another member if the latter, in requesting the purchase, represents

- (i) that the balances to be bought have been recently acquired as a result of current transactions; or
- (ii) that their conversion is needed for making payments for current transactions.

The buying member shall have the option to pay either in the currency of the member making the request or in gold.

(b) The obligation in (a) above shall not apply

- (i) when the convertibility of the balances has been restricted consistently with section 2 of this article, or article VI, section 3; or
- (ii) when the balances have accumulated as a result of transactions effected before the removal by a member of restrictions maintained or imposed under article XIV, section 2; or
- (iii) when the balances have been acquired contrary to the exchange regulations of the member which is asked to buy them; or
- (iv) when the currency of the member requesting the purchase has been declared scarce under article VII, section 3 (a); or
- (v) when the member requested to make the purchase is for any reason not entitled to buy currencies of other members from the fund for its own currency.

SEC. 5. *Furnishing of information.*—(a) The fund may require members to furnish it with such information as it deems necessary for its operations, including, as the minimum necessary for the effective discharge of the fund's duties, national data on the following matters:

- (i) Official holdings at home and abroad, of (1) gold, (2) foreign exchange.
- (ii) Holdings at home and abroad by banking and financial agencies, other than official agencies, of (1) gold, (2) foreign exchange.
- (iii) Production of gold.
- (iv) Gold exports and imports according to countries of destination and origin.
- (v) Total exports and imports of merchandise, in terms of local currency values, according to countries of destination and origin.
- (vi) International balance of payments, including (1) trade in goods and services, (2) gold transactions, (3) known capital transactions, and (4) other items.
- (vii) International investment position, i. e., investments within the territories of the member owned abroad and investments abroad owned by persons in its territories so far as it is possible to furnish this information.
- (viii) National income.
- (ix) Price indices, i. e., indices of commodity prices in wholesale and retail markets and of export and import prices.
- (x) Buying and selling rates for foreign currencies.
- (xi) Exchange controls, i. e., a comprehensive statement of exchange controls in effect at the time of assuming membership in the fund and details of subsequent changes as they occur.
- (xii) Where official clearing arrangements exist, details of amounts awaiting clearance in respect of commercial and financial transactions, and of the length of time during which such arrears have been outstanding.

(b) In requesting information the fund shall take into consideration the varying ability of members to furnish the data requested. Members shall be under no obligation to furnish information in such detail that the affairs of individuals or corporations are disclosed. Members undertake, however, to furnish the desired information in as detailed and accurate a manner as is practicable, and, so far as possible, to avoid mere estimates.

(c) The fund may arrange to obtain further information by agreement with members. It shall act as a center for the collection and exchange of information on monetary and financial problems, thus facilitating the preparation of studies designed to assist members in developing policies which further the purposes of the fund.

SEC. 6. *Consultation between members regarding existing international agreements.*—Where under this agreement a member is authorized in the special or temporary circumstances specified in the agreement to maintain or establish restrictions on exchange transactions, and there are other engagements between

members entered into prior to this agreement which conflict with the application of such restrictions, the parties to such engagements will consult with one another with a view to making such mutually acceptable adjustments as may be necessary. The provisions of this article shall be without prejudice to the operation of article VII, section 5.

#### ARTICLE IX. STATUS, IMMUNITIES AND PRIVILEGES

SECTION 1. *Purpose of article.*—To enable the fund to fulfill the functions with which it is entrusted, the status, immunities and privileges set forth in this article shall be accorded to the fund in the territories of each member.

SEC. 2. *Status of the fund.*—The fund shall possess full juridical personality, and in particular, the capacity

- (i) to contract;
- (ii) to acquire and dispose of immovable and movable property;
- (iii) to institute legal proceedings.

SEC. 3. *Immunity from judicial process.*—The fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process except to the extent that it expressly waives its immunity for the purpose of any proceedings or by the terms of any contract.

SEC. 4. *Immunity from other action.*—Property and assets of the fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

SEC. 5. *Immunity of archives.*—The archives of the fund shall be inviolable.

SEC. 6. *Freedom of assets from restrictions.*—To the extent necessary to carry out the operations provided for in this agreement, all property and assets of the fund shall be free from restrictions, regulations, controls and moratoria of any nature.

SEC. 7. *Privilege for communications.*—The official communications of the fund shall be accorded by members the same treatment as the official communications of other members.

SEC. 8. *Immunities and privileges of officers and employees.*—All governors, executive directors, alternates, officers and employees of the fund

(i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the fund waives this immunity;

(ii) not being local nationals, shall be granted the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;

(iii) shall be granted the same treatment in respect of traveling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

SEC. 9. *Immunities from taxation.*—(a) The fund, its assets, property, income and its operations and transactions authorized by this agreement, shall be immune from all taxation and from all customs duties. The fund shall also be immune from liability for the collection or payment of any tax or duty.

(b) No tax shall be levied on or in respect of salaries and emoluments paid by the fund to executive directors, alternates, officers or employees of the fund who are not local citizens, local subjects, or other local nationals.

(c) No taxation of any kind shall be levied on any obligation or security issued by the fund, including any dividend or interest thereon, by whomsoever held

(i) which discriminates against such obligation or security solely because of its origin; or

(ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the fund.

SEC. 10. *Application of article.*—Each member shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this article and shall inform the fund of the detailed action which it has taken.

#### ARTICLE X. RELATIONS WITH OTHER INTERNATIONAL ORGANIZATIONS

The fund shall cooperate within the terms of this agreement with any general international organization and with public international organizations having



specialized responsibilities in related fields. Any arrangements for such cooperation which would involve a modification of any provision of this agreement may be effected only after amendment to this agreement under article XVII.

#### ARTICLE XI. RELATIONS WITH NONMEMBER COUNTRIES

SECTION 1. *Undertakings regarding relations with nonmember countries.*—Each member undertakes:

(i) Not to engage in, nor to permit any of its fiscal agencies referred to in article V, section 1, to engage in, any transactions with a nonmember or with persons in a nonmember's territories which would be contrary to the provisions of this agreement or the purposes of the fund;

(ii) Not to cooperate with a nonmember or with persons in a nonmember's territories in practices which would be contrary to the provisions of this agreement or the purposes of the fund; and

(iii) To cooperate with the fund with a view to the application in its territories of appropriate measures to prevent transactions with nonmembers or with persons in their territories which would be contrary to the provisions of this agreement or the purposes of the fund.

SEC. 2. *Restrictions on transactions with nonmember countries.*—Nothing in this agreement shall affect the right of any member to impose restrictions on exchange transactions with nonmembers or with persons in their territories unless the fund finds that such restrictions prejudice the interests of members and are contrary to the purposes of the fund.

#### ARTICLE XII. ORGANIZATION AND MANAGEMENT

SECTION 1. *Structure of the fund.*—The fund shall have a board of governors, executive directors, a managing director, and a staff.

SEC. 2. *Board of governors.*—(a) All powers of the fund shall be vested in the Board of Governors, consisting of one governor and one alternate appointed by each member in such manner as it may determine. Each governor and each alternate shall serve for 5 years, subject to the pleasure of the member appointing him, and may be reappointed. No alternate may vote except in the absence of his principal. The board shall select one of the governors as chairman.

(b) The board of governors may delegate to the executive directors authority to exercise any powers of the Board, except the power to:

(i) Admit new members and determine the conditions of their admission.

(ii) Approve a revision of quotas.

(iii) Approve a uniform change in the par value of the currencies of all members.

(iv) Make arrangements to cooperate with other international organizations (other than informal arrangements of a temporary or administrative character).

(v) Determine the distribution of the net income of the fund.

(vi) Require a member to withdraw.

(vii) Decide to liquidate the fund.

(viii) Decide appeals from interpretations of this agreement given by the executive directors.

(c) The board of governors shall hold an annual meeting and such other meetings as may be provided for by the board or called by the executive directors. Meetings of the board shall be called by the directors whenever requested by five members or by members having one-quarter of the total voting power.

(d) A quorum for any meeting of the board of governors shall be a majority of the governors exercising not less than two-thirds of the total voting power.

(e) Each governor shall be entitled to cast the number of votes allotted under section 5 of this article to the member appointing him.

(f) The board of governors may by regulation establish a procedure whereby the executive directors, when they deem such action to be in the best interests of the fund, may obtain a vote of the governors on a specific question without calling a meeting of the board.

(g) The board of governors, and the executive directors to the extent authorized, may adopt such rules and regulations as may be necessary or appropriate to conduct the business of the fund.

(h) Governors and alternates shall serve as such without compensation from the fund, but the fund shall pay them reasonable expenses incurred in attending meetings.



(i) The board of governors shall determine the remuneration to be paid to the executive directors and the salary and terms of the contract of service of the managing director.

SEC. 3. *Executive directors.*—(a) The executive directors shall be responsible for the conduct of the general operations of the fund, and for this purpose shall exercise all the powers delegated to them by the board of governors.

(b) There shall be not less than 12 directors who need not be governors, and of whom

(i) five shall be appointed by the five members having the largest quotas;

(ii) not more than two shall be appointed when the provisions of (c) below apply;

(iii) five shall be elected by the members not entitled to appoint directors, other than the American republics; and

(iv) two shall be elected by the American republics not entitled to appoint directors.

For the purposes of this paragraph, members means governments of countries whose names are set forth in schedule A, whether they become members in accordance with article XX or in accordance with article II, section 2. When governments of other countries become members, the board of governors may, by a four-fifths majority of the total voting power, increase the number of directors to be elected.

(c) If, at the second regular election of directors and thereafter, the members entitled to appoint directors under (b) (i) above do not include the two members, the holdings of whose currencies by the fund have been, on the average over the preceding 2 years, reduced below their quotas by the largest absolute amounts in terms of gold as a common denominator, either one or both of such members, as the case may be, shall be entitled to appoint a director.

(d) Subject to article XX, section 3 (b) elections of elective directors shall be conducted at intervals of 2 years in accordance with the provisions of schedule C, supplemented by such regulations as the fund deems appropriate. Whenever the board of governors increases the number of directors to be elected under (b) above, it shall issue regulations making appropriate changes in the proportion of votes required to elect directors under the provisions of schedule C.

(e) Each director shall appoint an alternate with full power to act for him when he is not present. When the directors appointing them are present, alternates may participate in meetings but may not vote.

(f) Directors shall continue in office until their successors are appointed or elected. If the office of an elected director becomes vacant more than 90 days before the end of his term, another director shall be elected for the remainder of the term by the members who elected the former director. A majority of the votes cast shall be required for election. While the office remains vacant, the alternate of the former director shall exercise his powers, except that of appointing an alternate.

(g) The executive directors shall function in continuous session at the principal office of the fund and shall meet as often as the business of the fund may require.

(h) A quorum for any meeting of the executive directors shall be a majority of the directors representing not less than one-half of the voting power.

(i) Each appointed director shall be entitled to cast the number of votes allotted under section 5 of this article to the member appointing him. Each elected director shall be entitled to cast the number of votes which counted towards his election. When the provisions of section 5 (b) of this article are applicable, the votes which a director would otherwise be entitled to cast shall be increased or decreased correspondingly. All the votes which a director is entitled to cast shall be cast as a unit.

(j) The board of governors shall adopt regulations under which a member not entitled to appoint a director under (b) above may send a representative to attend any meeting of the executive directors when a request made by, or a matter particularly affecting, that member is under consideration.

(k) The executive directors may appoint such committees as they deem advisable. Membership of committees need not be limited to governors or directors or their alternates.

SEC. 4. *Managing director and staff.*—(a) The executive directors shall select a managing director who shall not be a governor or an executive director. The managing director shall be chairman of the executive directors, but shall have no vote except a deciding vote in case of an equal division. He may participate in meetings of the board of governors, but shall not vote at such meetings. The managing director shall cease to hold office when the executive directors so decide.

(b) The managing director shall be chief of the operating staff of the fund and shall conduct, under the direction of the executive directors, the ordinary business of the fund. Subject to the general control of the executive directors, he shall be responsible for the organization, appointment and dismissal of the staff of the fund.

(c) The managing director and the staff of the fund, in the discharge of their functions, shall owe their duty entirely to the fund and to no other authority. Each member of the fund shall respect the international character of this duty and shall refrain from all attempts to influence any of the staff in the discharge of his functions.

(d) In appointing the staff the managing director shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible.

SEC. 5. *Voting*.—(a) Each member shall have 250 votes plus 1 additional vote for each part of its quota equivalent to 100,000 United States dollars.

(b) Whenever voting is required under article V, section 4 or 5, each member shall have the number of votes to which it is entitled under (a) above, adjusted

(i) by the addition of one vote for the equivalent of each 400,000 United States dollars of net sales of its currency up to the date when the vote is taken, or

(ii) by the subtraction of one vote for the equivalent of each 400,000 United States dollars of its net purchases of the currencies of other members, up to the date when the vote is taken;

provided, that neither net purchases nor net sales shall be deemed at any time to exceed an amount equal to the quota of the member involved.

(c) For the purpose of all computations under this section, United States dollars shall be deemed to be of the weight and fineness in effect on July 1, 1944, adjusted for any uniform change under article IV, section 7, if a waiver is made under section 8 (d) of that article.

(d) Except as otherwise specifically provided, all decisions of the fund shall be made by a majority of the votes cast.

SEC. 6. *Distribution of net income*.—(a) The board of governors shall determine annually what part of the fund's net income shall be placed to reserve and what part, if any, shall be distributed.

(b) If any distribution is made, there shall first be distributed a 2 percent non-cumulative payment to each member on the amount by which 75 percent of its quota exceeded the fund's average holdings of its currency during that year. The balance shall be paid to all members in proportion to their quotas. Payments to each member shall be made in its own currency.

SEC. 7. *Publication of reports*.—(a) The fund shall publish an annual report containing an audited statement of its accounts, and shall issue, at intervals of 3 months or less, a summary statement of its transactions and its holdings of gold and currencies of members.

(b) The fund may publish such other reports as it deems desirable for carrying out its purposes.

SEC. 8. *Communication of views to members*.—The fund shall at all times have the right to communicate its views informally to any member on any matter arising under this agreement. The fund may, by a two-thirds majority of the total voting power, decide to publish a report made to a member regarding its monetary or economic conditions and developments which directly tend to produce a serious disequilibrium in the international balance of payments of members. If the member is not entitled to appoint an executive director, it shall be entitled to representation in accordance with section 3 (j) of this article. The fund shall not publish a report involving changes in the fundamental structure of the economic organization of members.

#### ARTICLE XIII. OFFICES AND DEPOSITORIES

SECTION 1. *Location of offices*.—The principal office of the fund shall be located in the territory of the member having the largest quota, and agencies or branch offices may be established in the territories of other members.

SEC. 2. *Depositories*.—(a) Each member country shall designate its central bank as a depository for all the fund's holdings of its currency, or if it has no central bank it shall designate such other institution as may be acceptable to the fund.

(b) The fund may hold other assets, including gold, in the depositories designated by the five members having the largest quotas and in such other designated

depositories as the fund may select. Initially, at least one-half of the holdings of the fund shall be held in the depository designated by the member in whose territories the fund has its principal office and at least 40 percent shall be held in the depositories designated by the remaining four members referred to above. However, all transfers of gold by the fund shall be made with due regard to the costs of transport and anticipated requirements of the fund. In an emergency the executive directors may transfer all or any part of the fund's gold holdings to any place where they can be adequately protected.

SEC. 3. *Guarantee of the fund's assets.*—Each member guarantees all assets of the fund against loss resulting from failure or default on the part of the depository designated by it.

#### ARTICLE XIV. TRANSITIONAL PERIOD

SECTION 1. *Introduction.*—The fund is not intended to provide facilities for relief or reconstruction or to deal with international indebtedness arising out of the war.

SEC. 2. *Exchange restrictions.*—In the post-war transitional period members may, notwithstanding the provisions of any other articles of this agreement, maintain and adapt to changing circumstances (and, in the case of members whose territories have been occupied by the enemy, introduce where necessary) restrictions on payments and transfers for current international transactions. Members shall, however, have continuous regard in their foreign exchange policies to the purposes of the fund; and, as soon as conditions permit, they shall take all possible measures to develop such commercial and financial arrangements with other members as will facilitate international payments and the maintenance of exchange stability. In particular, members shall withdraw restrictions maintained or imposed under this section as soon as they are satisfied that they will be able, in the absence of such restrictions, to settle their balance of payments in a manner which will not unduly encumber their access to the resources of the fund.

SEC. 3. *Notification to the fund.*—Each member shall notify the fund before it becomes eligible under article XX, section 4 (c) or (d), to buy currency from the fund, whether it intends to avail itself of the transitional arrangements in section 2 of this article, or whether it is prepared to accept the obligations of article VIII, sections 2, 3, and 4. A member availing itself of the transitional arrangements shall notify the fund as soon thereafter as it is prepared to accept the above-mentioned obligations.

SEC. 4. *Action of the fund relating to restrictions.*—Not later than 3 years after the date on which the fund begins operations and in each year thereafter, the fund shall report on the restrictions still in force under section 2 of this article. Five years after the date on which the fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with article VIII, sections 2, 3, or 4, shall consult the fund as to their further retention. The fund may, if it deems such action necessary in exceptional circumstances, make representations to any member that conditions are favorable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other article of this agreement. The member shall be given a suitable time to reply to such representations. If the fund finds that the member persists in maintaining restrictions which are inconsistent with the purposes of the fund, the member shall be subject to article XV, section 2 (a).

SEC. 5. *Nature of transitional period.*—In its relations with members, the fund shall recognize that the post-war transitional period will be one of change and adjustment, and in making decisions on requests occasioned thereby which are presented by any member it shall give the member the benefit of any reasonable doubt.

#### ARTICLE XV. WITHDRAWAL FROM MEMBERSHIP

SECTION 1. *Right of members to withdraw.*—Any member may withdraw from the fund at any time by transmitting a notice in writing to the fund at its principal office. Withdrawal shall become effective on the date such notice is received.

SEC. 2. *Compulsory withdrawal.*—(a) If a member fails to fulfill any of its obligations under this agreement, the fund may declare the member ineligible to use the resources of the fund. Nothing in this section shall be deemed to limit the provisions of article IV, section 6, article V, section 5, or article VI, section 1.

(b) If, after the expiration of a reasonable period the member persists in its failure to fulfill any of its obligations under this agreement, or a difference between a member and the fund under article IV, section 6, continues, that member may be required to withdraw from membership in the fund by a decision of the board of



governors carried by a majority of the governors representing a majority of the total voting power.

(c) Regulations shall be adopted to ensure that before action is taken against any member under (a) or (b) above, the member shall be informed in reasonable time of the complaint against it and given an adequate opportunity for stating its case, both orally and in writing.

SEC. 3. *Settlement of accounts with members withdrawing.*—When a member withdraws from the fund, normal transactions of the fund in its currency shall cease and settlement of all accounts between it and the fund shall be made with reasonable despatch by agreement between it and the fund. If agreement is not reached promptly, the provisions of schedule D shall apply to the settlement of accounts.

#### ARTICLE XVI. EMERGENCY PROVISIONS

SECTION 1. *Temporary suspension.*—(a) In the event of an emergency or the development of unforeseen circumstances threatening the operations of the fund, the executive directors by unanimous vote may suspend for a period of not more than 120 days the operation of any of the following provisions:

- (i) Article IV, sections 3 and 4 (b).
- (ii) Article V, sections 2, 3, 7, 8 (a) and (f).
- (iii) Article VI, section 2.
- (iv) Article XI, section 1.

(b) Simultaneously with any decision to suspend the operation of any of the foregoing provisions, the executive directors shall call a meeting of the board of governors for the earliest practicable date.

(c) The executive directors may not extend any suspension beyond 120 days. Such suspension may be extended, however, for an additional period of not more than 240 days, if the board of governors by a four-fifths majority of the total voting power so decides, but it may not be further extended except by amendment of this agreement pursuant to article XVII.

(d) The executive directors may, by a majority of the total voting power, terminate such suspension at any time.

SEC. 2. *Liquidation of the fund.*—(a) The fund may not be liquidated except by decision of the board of governors. In an emergency, if the executive directors decide that liquidation of the fund may be necessary, they may temporarily suspend all transactions, pending decision by the board.

(b) If the board of governors decides to liquidate the fund, the fund shall forthwith cease to engage in any activities except those incidental to the orderly collection and liquidation of its assets and the settlement of its liabilities, and all obligations of members under this agreement shall cease except those set out in this article, in article XVIII, paragraph (c), in schedule D, paragraph 7, and in schedule E.

(c) Liquidation shall be administered in accordance with the provisions of schedule E.

#### ARTICLE XVII. AMENDMENTS

(a) Any proposal to introduce modifications in this agreement, whether emanating from a member, a governor or the executive directors, shall be communicated to the chairman of the board of governors who shall bring the proposal before the board. If the proposed amendment is approved by the board the fund shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths of the total voting power, have accepted the proposed amendment, the fund shall certify the fact by a formal communication addressed to all members.

(b) Notwithstanding (a) above, acceptance by all members is required in the case of any amendment modifying

- (i) the right to withdraw from the fund (article XV, section 1);
- (ii) the provision that no change in a member's quota shall be made without its consent (article III, section 2);
- (iii) the provision that no change may be made in the par value of a member's currency except on the proposal of that member (article IV, section 5 (b)).

(c) Amendments shall enter into force for all members 3 months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.



## ARTICLE XVIII. INTERPRETATION

(a) Any question of interpretation of the provisions of this agreement arising between any member and the fund or between any members of the fund shall be submitted to the executive directors for their decision. If the question particularly affects any member not entitled to appoint an executive director it shall be entitled to representation in accordance with article XII, section 3 (j).

(b) In any case where the executive directors have given a decision under (a) above, any member may require that the question be referred to the board of governors, whose decision shall be final. Pending the result of the reference to the board the fund may, so far as it deems necessary, act on the basis of the decision of the executive directors.

(c) Whenever a disagreement arises between the fund and a member which has withdrawn, or between the fund and any member during liquidation of the fund, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the fund, another by the member or withdrawing member and an umpire who, unless the parties otherwise agree, shall be appointed by the president of the Permanent Court of International Justice or such other authority as may have been prescribed by regulation adopted by the fund. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

## ARTICLE XIX. EXPLANATION OF TERMS

In interpreting the provisions of this agreement the fund and its members shall be guided by the following:

(a) A member's monetary reserves means its net official holdings of gold, of convertible currencies of other members, and of the currencies of such nonmembers as the fund may specify.

(b) The official holdings of a member means central holdings (that is, the holdings of its treasury, central bank, stabilization fund, or similar fiscal agency).

(c) The holdings of other official institutions or other banks within its territories may, in any particular case, be deemed by the fund, after consultation with the member, to be official holdings to the extent that they are substantially in excess of working balances; provided that for the purpose of determining whether, in a particular case, holdings are in excess of working balances, there shall be deducted from such holdings amounts of currency due to official institutions and banks in the territories of members or nonmembers specified under (d) below.

(d) A member's holdings of convertible currencies means its holdings of the currencies of other members which are not availing themselves of the transitional arrangements under article XIV, section 2, together with its holdings of the currencies of such nonmembers as the fund may from time to time specify. The term "currency" for this purpose, includes without limitation coins, paper money, bank balances, bank acceptances, and government obligations issued with a maturity not exceeding 12 months.

(e) A member's monetary reserves shall be calculated by deducting from its central holdings the currency liabilities to the treasuries, central banks, stabilization funds, or similar fiscal agencies of other members or nonmembers specified under (d) above, together with similar liabilities to other official institutions and other banks in the territories of members, or nonmembers specified under (d) above. To these net holdings shall be added the sums deemed to be official holdings of other official institutions and other banks under (c) above.

(f) The fund's holdings of the currency of a member shall include any securities accepted by the fund under article III, section 5.

(g) The fund, after consultation with a member which is availing itself of the transitional arrangements under article XIV, section 2, may deem holdings of the currency of that member which carry specified rights of conversion into another currency or into gold to be holdings of convertible currency for the purpose of the calculation of monetary reserves.

(h) For the purpose of calculating gold subscriptions under article III, section 3, a member's net official holdings of gold and United States dollars shall consist of its official holdings of gold and United States currency after deducting central holdings of its currency by other countries and holdings of its currency by other official institutions and other banks if these holdings carry specified rights of conversion into gold or United States currency.

(i) Payments for current transactions means payments which are not for the purpose of transferring capital, and includes, without limitation:

(1) All payments due in connection with foreign trade, other current business, including services, and normal short-term banking and credit facilities;

(2) Payments due as interest on loans and as net income from other investments;

(3) Payments of moderate amount for amortization of loans or for depreciation of direct investments;

(4) Moderate remittances for family living expenses.

The fund may, after consultation with the members concerned, determine whether certain specific transactions are to be considered current transactions or capital transactions.

#### ARTICLE XX. FINAL PROVISIONS

SECTION 1. *Entry into force.*—This agreement shall enter into force when it has been signed on behalf of governments having 65 percent of the total of the quotas set forth in schedule A and when the instruments referred to in section 2 (a) of this article have been deposited on their behalf, but in no event shall this agreement enter into force before May 1, 1945.

SEC. 2. *Signature.*—(a) Each government on whose behalf this agreement is signed shall deposit with the Government of the United States of America an instrument setting forth that it has accepted this agreement in accordance with its law and has taken all steps necessary to enable it to carry out all of its obligations under this agreement.

(b) Each government shall become a member of the fund as from the date of the deposit on its behalf of the instrument referred to in (a) above, except that no government shall become a member before this agreement enters into force under section 1 of this article.

(c) The Government of the United States of America shall inform the governments of all countries whose names are set forth in schedule A, and all governments whose membership is approved in accordance with article II, section 2, of all signatures of this agreement and of the deposit of all instruments referred to in (a) above.

(d) At the time this agreement is signed on its behalf, each government shall transmit to the Government of the United States of America one one-hundredth of 1 percent of its total subscription in gold or United States dollars for the purpose of meeting administrative expenses of the fund. The Government of the United States of America shall hold such funds in a special deposit account and shall transmit them to the board of governors of the fund when the initial meeting has been called under section 3 of this article. If this agreement has not come into force by December 31, 1945, the Government of the United States of America shall return such funds to the governments that transmitted them.

(e) This agreement shall remain open for signature at Washington on behalf of the governments of the countries whose names are set forth in schedule A until December 31, 1945.

(f) After December 31, 1945, this agreement shall be open for signature on behalf of the government of any country whose membership has been approved in accordance with article II, section 2.

(g) By their signature of this agreement, all governments accept it both on their own behalf and in respect of all their colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate.

(h) In the case of governments whose metropolitan territories have been under enemy occupation, the deposit of the instrument referred to in (a) above may be delayed until 180 days after the date on which these territories have been liberated. If, however, it is not deposited by any such government before the expiration of this period the signature affixed on behalf of that government shall become void and the portion of its subscription paid under (d) above shall be returned to it.

(i) Paragraphs (d) and (h) shall come into force with regard to each signatory government as from the date of its signature.

SEC. 3. *Inauguration of the fund.*—(a) As soon as this agreement enters into force under section 1 of this article, each member shall appoint a governor and the member having the largest quota shall call the first meeting of the board of governors.

(b) At the first meeting of the board of governors, arrangements shall be made for the selection of provisional executive directors. The governments of the five countries for which the largest quotas are set forth in schedule A shall appoint

provisional executive directors. If one or more of such governments have not become members, the executive directorships they would be entitled to fill shall remain vacant until they become members, or until January 1, 1946, whichever is the earlier. Seven provisional executive directors shall be elected in accordance with the provisions of schedule C and shall remain in office until the date of the first regular election of executive directors which shall be held as soon as practicable after January 1, 1946.

(c) The board of governors may delegate to the provisional executive directors any powers except those which may not be delegated to the executive directors.

SEC. 4. *Initial determination of par values.*—(a) When the fund is of the opinion that it will shortly be in a position to begin exchange transactions, it shall so notify the members and shall request each member to communicate within 30 days the par value of its currency based on the rates of exchange prevailing on the sixtieth day before the entry into force of this agreement. No member whose metropolitan territory has been occupied by the enemy shall be required to make such a communication while that territory is a theater of major hostilities or for such period thereafter as the fund may determine. When such a member communicates the par value of its currency the provisions of (d) below shall apply.

(b) The par value communicated by a member whose metropolitan territory has not been occupied by the enemy shall be the par value of that member's currency for the purposes of this agreement unless, within 90 days after the request referred to in (a) above has been received, (i) the member notifies the fund that it regards the par value as unsatisfactory, or (ii) the fund notifies the member that in its opinion the par value cannot be maintained without causing recourse to the fund on the part of that member or others on a scale prejudicial to the fund and to members. When notification is given under (i) or (ii) above, the fund and the member shall, within a period determined by the fund in the light of all relevant circumstances, agree upon a suitable par value for that currency. If the fund and the member do not agree within the period so determined, the member shall be deemed to have withdrawn from the fund on the date when the period expires.

(c) When the par value of a member's currency has been established under (b) above, either by the expiration of 90 days without notification, or by agreement after notification, the member shall be eligible to buy from the fund the currencies of other members to the full extent permitted in this agreement, provided that the fund has begun exchange transactions.

(d) In the case of a member whose metropolitan territory has been occupied by the enemy, the provisions of (b) above shall apply, subject to the following modifications:

(i) The period of 90 days shall be extended so as to end on a date to be fixed by agreement between the fund and the member.

(ii) Within the extended period the member may, if the fund has begun exchange transactions, buy from the fund with its currency the currencies of other members, but only under such conditions and in such amounts as may be prescribed by the fund.

(iii) At any time before the date fixed under (i) above, changes may be made by agreement with the fund in the par value communicated under (a) above.

(e) If a member whose metropolitan territory has been occupied by the enemy adopts a new monetary unit before the date to be fixed under (d) (i) above, the par value fixed by that member for the new unit shall be communicated to the fund and the provisions of (d) above shall apply.

(f) Changes in par values agreed with the fund under this section shall not be taken into account in determining whether a proposed change falls within (i), (ii), or (iii) of article IV, section 5 (c).

(g) A member communicating to the fund a par value for the currency of its metropolitan territory shall simultaneously communicate a value, in terms of that currency, for each separate currency, where such exists, in the territories in respect of which it has accepted this agreement under section 2 (g) of this article, but no member shall be required to make a communication for the separate currency of a territory which has been occupied by the enemy while that territory is a theater of major hostilities or for such period thereafter as the fund may determine. On the basis of the par value so communicated, the fund shall compute the par value of each separate currency. A communication or notification to the fund under (a), (b), or (d) above regarding the par value of a currency, shall also be deemed, unless the contrary is stated, to be a communication or notification



regarding the par value of all the separate currencies referred to above. Any member may, however, make a communication or notification relating to the metropolitan or any of the separate currencies alone. If the member does so, the provisions of the preceding paragraphs (including (d) above, if a territory where a separate currency exists has been occupied by the enemy) shall apply to each of these currencies separately.

(h) The fund shall begin exchange transactions at such date as it may determine after members having 65 percent of the total of the quotas set forth in schedule A have become eligible, in accordance with the preceding paragraphs of this section, to purchase the currencies of other members, but in no event until after major hostilities in Europe have ceased.

(i) The fund may postpone exchange transactions with any member if its circumstances are such that, in the opinion of the fund, they would lead to use of the resources of the fund in a manner contrary to the purposes of this agreement or prejudicial to the fund or the members.

(j) The par values of the currencies of governments which indicate their desire to become members after December 31, 1945, shall be determined in accordance with the provisions of article II, section 2.

Done at Washington, in a single copy which shall remain deposited in the archives of the Government of the United States of America, which shall transmit certified copies to all governments whose names are set forth in schedule A and to all governments whose membership is approved in accordance with article II, section 2.

#### SCHEDULE A. QUOTAS

[In millions of United States dollars]

Australia.....	200	Iran.....	25
Belgium.....	225	Iraq.....	8
Bolivia.....	10	Liberia.....	5
Brazil.....	150	Luxembourg.....	10
Canada.....	300	Mexico.....	90
Chile.....	50	Netherlands.....	275
China.....	550	New Zealand.....	50
Colombia.....	50	Nicaragua.....	2
Costa Rica.....	5	Norway.....	50
Cuba.....	50	Panama.....	5
Czechoslovakia.....	125	Paraguay.....	2
Denmark.....	(1)	Peru.....	25
Dominican Republic.....	5	Philippine Commonwealth.....	15
Ecuador.....	5	Poland.....	125
Egypt.....	45	Union of South Africa.....	100
El Salvador.....	2.5	Union of Soviet Socialist Republics.....	1,200
Ethiopia.....	6	United Kingdom.....	1,300
France.....	450	United States.....	2,750
Greece.....	40	Uruguay.....	15
Guatemala.....	5	Venezuela.....	15
Haiti.....	5	Yugoslavia.....	60
Honduras.....	2.5		
Iceland.....	1		
India.....	400	Total.....	8,800

<sup>1</sup> The quota of Denmark shall be determined by the fund after the Danish Government has declared its readiness to sign this agreement but before signature takes place.

#### SCHEDULE B. PROVISIONS WITH RESPECT TO REPURCHASE BY A MEMBER OF ITS CURRENCY HELD BY THE FUND

1. In determining the extent to which repurchase of a member's currency from the fund under article V, section 7 (b), shall be made with each type of monetary reserve, that is, with gold and with each convertible currency, the following rule, subject to 2 below, shall apply:

(a) If the member's monetary reserves have not increased during the year, the amount payable to the fund shall be distributed among all types of reserves in proportion to the member's holdings thereof at the end of the year.

(b) If the member's monetary reserves have increased during the year, a part of the amount payable to the fund equal to one-half of the increase shall be distributed among those types of reserves which have increased in proportion to the amount by which each of them has increased. The remainder of the sum payable to the fund shall be distributed among all types of reserves in proportion to the member's remaining holdings thereof.

(c) If after all the repurchases required under article V, section 7 (b), had been made, the result would exceed any of the limits specified in article V, section 7 (c), the fund shall require such repurchases to be made by the members proportionately in such manner that the limits will not be exceeded.



2. The fund shall not acquire the currency of any nonmember under article V, section 7 (b) and (c).

3. In calculating monetary reserves and the increase in monetary reserves during any year for the purpose of article V, section 7 (b) and (c), no account shall be taken, unless deductions have otherwise been made by the member for such holdings, of any increase in those monetary reserves which is due to currency previously inconvertible having become convertible during the year; or to holdings which are the proceeds of a long-term or medium-term loan contracted during the year; or to holdings which have been transferred or set aside for repayment of a loan during the subsequent year.

4. In the case of members whose metropolitan territories have been occupied by the enemy, gold newly produced during the 5 years after the entry into force of this agreement from mines located within their metropolitan territories shall not be included in computations of their monetary reserves or of increases in their monetary reserves.

#### SCHEDULE C. ELECTION OF EXECUTIVE DIRECTORS

1. The election of the elective executive directors shall be by ballot of the governors eligible to vote under article XII, section 3 (b) (iii) and (iv).

2. In balloting for the five directors to be elected under article XII, section 3 (b) (iii), each of the governors eligible to vote shall cast for one person all of the votes to which he is entitled under article XII, section 5 (a). The five persons receiving the greatest number of votes shall be directors, provided that no person who received less than 19 percent of the total number of votes that can be cast (eligible votes) shall be considered elected.

3. When five persons are not elected on the first ballot, a second ballot shall be held in which the person who received the lowest number of votes shall be ineligible for election and in which there shall vote only (a) those governors who voted in the first ballot for a person not elected, and (b) those governors whose votes for a person elected are deemed under 4 below to have raised the votes cast for that person above 20 percent of the eligible votes.

4. In determining whether the votes cast by a governor are to be deemed to have raised the total of any person above 20 percent of the eligible votes the 20 percent shall be deemed to include, first, the votes of the governor casting the largest number of votes for such person, then the votes of the governor casting the next largest number, and so on until 20 percent is reached.

5. Any governor part of whose votes must be counted in order to raise the total of any person above 19 percent shall be considered as casting all of his votes for such person even if the total votes for such person thereby exceed 20 percent.

6. If, after the second ballot, five persons have not been elected, further ballots shall be held on the same principles until five persons have been elected, provided that after four persons are elected, the fifth may be elected by a simple majority of the remaining votes and shall be deemed to have been elected by all such votes.

7. The directors to be elected by the American republics under article XII, section 3 (b) (iv) shall be elected as follows:

(a) Each of the directors shall be elected separately.

(b) In the election of the first director, each governor representing an American republic eligible to participate in the election shall cast for one person all the votes to which he is entitled. The person receiving the largest number of votes shall be elected provided that he has received not less than 45 percent of the total votes.

(c) If no person is elected on the first ballot, further ballots shall be held, in each of which the person receiving the lowest number of votes shall be eliminated, until one person receives a number of votes sufficient for election under (b) above.

(d) Governors whose votes contributed to the election of the first director shall take no part in the election of the second director.

(e) Persons who did not succeed in the first election shall not be ineligible for election as the second director.

(f) A majority of the votes which can be cast shall be required for election of the second director. If at the first ballot no person receives a majority, further ballots shall be held in each of which the person receiving the lowest number of votes shall be eliminated, until some person obtains a majority.

(g) The second director shall be deemed to have been elected by all the votes which could have been cast in the ballot securing his election.

## SCHEDULE D. SETTLEMENT OF ACCOUNTS WITH MEMBERS WITHDRAWING

1. The fund shall be obligated to pay to a member withdrawing an amount equal to its quota, plus any other amounts due to it from the fund, less any amounts due to the fund, including charges accruing after the date of its withdrawal; but no payment shall be made until 6 months after the date of withdrawal. Payments shall be made in the currency of the withdrawing member.

2. If the fund's holdings of the currency of the withdrawing member are not sufficient to pay the net amount due from the fund, the balance shall be paid in gold, or in such other manner as may be agreed. If the fund and the withdrawing member do not reach agreement within 6 months of the date of withdrawal, the currency in question held by the fund shall be paid forthwith to the withdrawing member. Any balance due shall be paid in 10 half-yearly installments during the ensuing 5 years. Each such installment shall be paid, at the option of the fund, either in the currency of the withdrawing member acquired after its withdrawal or by the delivery of gold.

3. If the fund fails to meet any installment which is due in accordance with the preceding paragraphs, the withdrawing member shall be entitled to require the fund to pay the installment in any currency held by the fund with the exception of any currency which has been declared scarce under article VII, section 3.

4. If the fund's holdings of the currency of a withdrawing member exceed the amount due to it, and if agreement on the method of settling accounts is not reached within 6 months of the date of withdrawal, the former member shall be obligated to redeem such excess currency in gold or, at its option, in the currencies of members which at the time of redemption are convertible. Redemption shall be made at the parity existing at the time of withdrawal from the fund. The withdrawing member shall complete redemption within 5 years of the date of withdrawal, or within such longer period as may be fixed by the fund, but shall not be required to redeem in any half-yearly period more than one-tenth of the fund's excess holdings of its currency at the date of withdrawal plus further acquisitions of the currency during such half-yearly period. If the withdrawing member does not fulfill this obligation, the fund may in an orderly manner liquidate in any market the amount of currency which should have been redeemed.

5. Any member desiring to obtain the currency of a member which has withdrawn shall acquire it by purchase from the fund, to the extent that such member has access to the resources of the fund and that such currency is available under 4 above.

6. The withdrawing member guarantees the unrestricted use at all times of the currency disposed of under 4 and 5 above for the purchase of goods or for payment of sums due to it or to persons within its territories. It shall compensate the fund for any loss resulting from the difference between the par value of its currency on the date of withdrawal and the value realized by the fund on disposal under 4 and 5 above.

7. In the event of the fund going into liquidation under article XVI, section 2, within 6 months of the date on which the member withdraws, the account between the fund and that government shall be settled in accordance with article XVI, section 2, and schedule E.

## SCHEDULE E. ADMINISTRATION OF LIQUIDATION

1. In the event of liquidation the liabilities of the fund other than the repayment of subscriptions shall have priority in the distribution of the assets of the fund. In meeting each such liability the fund shall use its assets in the following order:

- (a) the currency in which the liability is payable;
- (b) gold;
- (c) all other currencies in proportion, so far as may be practicable, to the quotas of the members.

2. After the discharge of the fund's liabilities in accordance with 1 above, the balance of the fund's assets shall be distributed and apportioned as follows:

- (a) The fund shall distribute its holdings of gold among the members whose currencies are held by the fund in amounts less than their quotas. These members shall share the gold so distributed in the proportions of the amounts by which their quotas exceed the fund's holdings of their currencies.

- (b) The fund shall distribute to each member one-half the fund's holdings of its currency but such distribution shall not exceed 50 percent of its quota.

(c) The fund shall apportion the remainder of its holdings of each currency among all the members in proportion to the amounts due to each member after the distributions under (a) and (b) above.

3. Each member shall redeem the holdings of its currency apportioned to other members under 2 (c) above, and shall agree with the fund within 3 months after a decision to liquidate upon an orderly procedure for such redemption.

4. If a member has not reached agreement with the fund within the 3-month period referred to in 3 above, the fund shall use the currencies of other members apportioned to that member under 2 (c) above to redeem the currency of that member apportioned to other members. Each currency apportioned to a member which has not reached agreement shall be used, so far as possible, to redeem its currency apportioned to the members which have made agreements with the fund under 3 above.

5. If a member has reached agreement with the fund in accordance with 3 above, the fund shall use the currencies of other members apportioned to that member under 2 (c) above to redeem the currency of that member apportioned to other members which have made agreements with the fund under 3 above. Each amount so redeemed shall be redeemed in the currency of the member to which it was apportioned.

6. After carrying out the preceding paragraphs, the fund shall pay to each member the remaining currencies held for its account.

7. Each member whose currency has been distributed to other members under 6 above shall redeem such currency in gold or, at its option, in the currency of the member requesting redemption, or in such other manner as may be agreed between them. If the members involved do not otherwise agree, the member obligated to redeem shall complete redemption within 5 years of the date of distribution, but shall not be required to redeem in any half-yearly period more than one-tenth of the amount distributed to each other member. If the member does not fulfill this obligation, the amount of currency which should have been redeemed may be liquidated in an orderly manner in any market.

8. Each member whose currency has been distributed to other members under 6 above guarantees the unrestricted use of such currency at all times for the purchase of goods or for payment of sums due to it or to persons in its territories. Each member so obligated agrees to compensate other members for any loss resulting from the difference between the par value of its currency on the date of the decision to liquidate the fund and the value realized by such members on disposal of its currency.

#### ARTICLES OF AGREEMENT FOR AN INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The governments on whose behalf the present agreement is signed agree as follows:

##### INTRODUCTORY ARTICLE

The International Bank for Reconstruction and Development is established and shall operate in accordance with the following provisions:

##### ARTICLE I. PURPOSES

The purposes of the bank are:

(i) To assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war, the reconversion of productive facilities to peacetime needs and the encouragement of the development of productive facilities and resources in less developed countries.

(ii) To promote private foreign investment by means of guarantees or participations in loans and other investments made by private investors; and when private capital is not available on reasonable terms, to supplement private investment by providing, on suitable conditions, finance for productive purposes out of its own capital, funds raised by it and its other resources.

(iii) To promote the long-range balanced growth of international trade and the maintenance of equilibrium in balances of payments by encouraging international investment for the development of the productive resources



of members, thereby assisting in raising productivity, the standard of living and conditions of labor in their territories.

(iv) To arrange the loans made or guaranteed by it in relation to international loans through other channels so that the more useful and urgent projects, large and small alike, will be dealt with first.

(v) To conduct its operations with due regard to the effect of international investment on business conditions in the territories of members and, in the immediate post-war years, to assist in bringing about a smooth transition from a wartime to a peacetime economy.

The bank shall be guided in all its decisions by the purposes set forth above.

## ARTICLE II. MEMBERSHIP IN AND CAPITAL OF THE BANK

SECTION 1. *Membership.*—(a) The original members of the bank shall be those members of the international monetary fund which accept membership in the bank before the date specified in article XI, section 2 (e).

(b) Membership shall be open to other members of the fund, at such times and in accordance with such terms as may be prescribed by the bank.

SEC. 2. *Authorized capital.*—(a) The authorized capital stock of the bank shall be \$10,000,000,000, in terms of United States dollars of the weight and fineness in effect on July 1, 1944. The capital stock shall be divided into 100,000 shares having a par value of \$100,000 each, which shall be available for subscription only by members.

(b) The capital stock may be increased when the bank deems it advisable by a three-fourths majority of the total voting power.

SEC. 3. *Subscription of shares.*—(a) Each member shall subscribe shares of the capital stock of the bank. The minimum number of shares to be subscribed by the original members shall be those set forth in schedule A. The minimum number of shares to be subscribed by other members shall be determined by the bank, which shall reserve a sufficient portion of its capital stock for subscription by such members.

(b) The bank shall prescribe rules laying down the conditions under which members may subscribe shares of the authorized capital stock of the bank in addition to their minimum subscriptions.

(c) If the authorized capital stock of the bank is increased, each member shall have a reasonable opportunity to subscribe, under such conditions as the bank shall decide, a proportion of the increase of stock equivalent to the proportion which its stock theretofore subscribed bears to the total capital stock of the bank, but no member shall be obligated to subscribe any part of the increased capital.

SEC. 4. *Issue price of shares.*—Shares included in the minimum subscriptions of original members shall be issued at par. Other shares shall be issued at par unless the bank by a majority of the total voting power decides in special circumstances to issue them on other terms.

SEC. 5. *Division and calls of subscribed capital.*—The subscription of each member shall be divided into two parts as follows:

(i) twenty percent shall be paid or subject to call under section 7 (i) of this article as needed by the bank for its operations;

(ii) the remaining 80 percent shall be subject to call by the bank only when required to meet obligations of the bank created under article IV, sections 1 (a) (ii) and (iii).

Calls on unpaid subscriptions shall be uniform on all shares.

SEC. 6. *Limitation on liability.*—Liability on shares shall be limited to the unpaid portion of the issue price of the shares.

SEC. 7. *Method of payment of subscriptions for shares.*—Payment of subscriptions for shares shall be made in gold or United States dollars and in the currencies of the members as follows:

(i) under section 5 (i) of this article, 2 percent of the price of each share shall be payable in gold or United States dollars, and, when calls are made, the remaining 18 percent shall be paid in the currency of the member;

(ii) when a call is made under section 5 (ii) of this article, payment may be made at the option of the member either in gold, in United States dollars or in the currency required to discharge the obligations of the bank for the purpose for which the call is made;

(iii) when a member makes payments in any currency under (i) and (ii) above, such payments shall be made in amounts equal in value to the member's liability under the call. This liability shall be a proportionate part of



the subscribed capital stock of the bank as authorized and defined in section 2 of this article.

SEC. 8. *Time of payment of subscriptions.*—(a) The 2 percent payable on each share in gold or United States dollars under section 7 (i) of this article, shall be paid within 60 days of the date on which the bank begins operations, provided that

(i) any original member of the bank whose metropolitan territory has suffered from enemy occupation or hostilities during the present war shall be granted the right to postpone payment of one-half percent until 5 years after that date;

(ii) an original member who cannot make such a payment because it has not recovered possession of its gold reserves which are still seized or immobilized as a result of the war may postpone all payment until such date as the bank shall decide.

(b) The remainder of the price of each share payable under section 7 (i) of this article shall be paid as and when called by the bank, provided that

(i) the bank shall, within 1 year of its beginning operations, call not less than 8 percent of the price of the share in addition to the payment of 2 percent referred to in (a) above;

(ii) not more than 5 percent of the price of the share shall be called in any period of 3 months.

SEC. 9. *Maintenance of value of certain currency holdings of the bank.*—(a) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the bank, depreciated to a significant extent within that member's territories, the member shall pay to the bank within a reasonable time an additional amount of its own currency sufficient to maintain the value, as of the time of initial subscription, of the amount of the currency of such member, which is held by the bank and derived from currency originally paid in to the bank by the member under article II, section 7 (i), from currency referred to in article IV, section 2 (b), or from any additional currency furnished under the provisions of the present paragraph, and which has not been repurchased by the member for gold or for the currency of any member which is acceptable to the bank.

(b) Whenever the par value of a member's currency is increased, the bank shall return to such member within a reasonable time an amount of that member's currency equal to the increase in the value of the amount of such currency described in (a) above.

(c) The provisions of the preceding paragraphs may be waived by the bank when a uniform proportionate change in the par values of the currencies of all its members is made by the international monetary fund.

SEC. 10. *Restriction on disposal of shares.*—Shares shall not be pledged or encumbered in any manner whatever and they shall be transferable only to the bank.

### ARTICLE III. GENERAL PROVISIONS RELATING TO LOANS AND GUARANTEES

SECTION 1. *Use of resources.*—(a) The resources and the facilities of the bank shall be used exclusively for the benefit of members with equitable consideration to projects for development and projects for reconstruction alike.

(b) For the purpose of facilitating the restoration and reconstruction of the economy of members whose metropolitan territories have suffered great devastation from enemy occupation or hostilities, the bank, in determining the conditions and terms of loans made to such members, shall pay special regard to lightening the financial burden and expediting the completion of such restoration and reconstruction.

SEC. 2. *Dealings between members and the bank.*—Each member shall deal with the bank only through its Treasury, central bank, stabilization fund or other similar fiscal agency, and the bank shall deal with members only by or through the same agencies.

SEC. 3. *Limitations on guarantees and borrowings of the bank.*—The total amount outstanding of guarantees, participations in loans and direct loans made by the bank shall not be increased at any time, if by such increase the total would exceed 100 percent of the unimpaired subscribed capital, reserves and surplus of the bank.

SEC. 4. *Conditions on which the bank may guarantee or make loans.*—The bank may guarantee, participate in, or make loans to any member or any political subdivision thereof and any business, industrial, and agricultural enterprise in the territories of a member, subject to the following conditions:

(i) When the member in whose territories the project is located is not itself the borrower, the member or the central bank or some comparable agency of

the member which is acceptable to the bank, fully guarantees the repayment of the principal and the payment of interest and other charges on the loan.

(ii) The bank is satisfied that in the prevailing market conditions the borrower would be unable otherwise to obtain the loan under conditions which in the opinion of the bank are reasonable for the borrower.

(iii) A competent committee, as provided for in article V, section 7, has submitted a written report recommending the project after a careful study of the merits of the proposal.

(iv) In the opinion of the bank the rate of interest and other charges are reasonable and such rate, charges and the schedule for repayment of principal are appropriate to the project.

(v) In making or guaranteeing a loan, the bank shall pay due regard to the prospects that the borrower, and, if the borrower is not a member, that the guarantor, will be in position to meet its obligations under the loan; and the bank shall act prudently in the interests both of the particular member in whose territories the project is located and of the members as a whole.

(vi) In guaranteeing a loan made by other investors, the bank receives suitable compensation for its risk.

(vii) Loans made or guaranteed by the bank shall, except in special circumstances, be for the purpose of specific projects of reconstruction or development.

SEC. 5. *Use of loans guaranteed, participated in or made by the bank.*—(a) The bank shall impose no conditions that the proceeds of a loan shall be spent in the territories of any particular member or members.

(b) The bank shall make arrangements to ensure that the proceeds of any loan are used only for the purposes for which the loan was granted, with due attention to considerations of economy and efficiency and without regard to political or other noneconomic influences or considerations.

(c) In the case of loans made by the bank, it shall open an account in the name of the borrower and the amount of the loan shall be credited to this account in the currency or currencies in which the loan is made. The borrower shall be permitted by the bank to draw on this account only to meet expenses in connection with the project as they are actually incurred.

#### ARTICLE IV. OPERATIONS

SECTION 1. *Methods of making or facilitating loans.*—(a) The bank may make or facilitate loans which satisfy the general conditions of article III in any of the following ways:

(i) By making or participating in direct loans out of its own funds corresponding to its unimpaired paid-up capital and surplus and, subject to section 6 of this article, to its reserves.

(ii) By making or participating in direct loans out of funds raised in the market of a member, or otherwise borrowed by the bank.

(iii) By guaranteeing in whole or in part loans made by private investors through the usual investment channels.

(b) The bank may borrow funds under (a) (ii) above or guarantee loans under (a) (iii) above only with the approval of the member in whose markets the funds are raised and the member in whose currency the loan is denominated, and only if those members agree that the proceeds may be exchanged for the currency of any other member without restriction.

SEC. 2. *Availability and transferability of currencies.*—(a) Currencies paid into the bank under article II, section 7 (i), shall be loaned only with the approval in each case of the member whose currency is involved: *Provided, however,* That if necessary, after the bank's subscribed capital has been entirely called, such currencies shall, without restriction by the members whose currencies are offered, be used or exchanged for the currencies required to meet contractual payments of interest, other charges or amortization on the bank's own borrowings, or to meet the bank's liabilities with respect to such contractual payments on loans guaranteed by the bank.

(b) Currencies received by the bank from borrowers or guarantors in payment on account of principal of direct loans made with currencies referred to in (a) above shall be exchanged for the currencies of other members or reloaned only with the approval in each case of the members whose currencies are involved: *Provided, however,* That if necessary, after the bank's subscribed capital has been entirely called, such currencies shall, without restriction by the members whose currencies are offered, be used or exchanged for the currencies required to

meet contractual payments of interest, other charges or amortization on the bank's own borrowings, or to meet the bank's liabilities with respect to such contractual payments on loans guaranteed by the bank.

(c) Currencies received by the bank from borrowers or guarantors in payment on account of principal of direct loans made by the bank under section 1 (a) (ii) of this article, shall be held and used, without restriction by the members, to make amortization payments, or to anticipate payment of or repurchase part or all of the bank's own obligations.

(d) All other currencies available to the bank, including those raised in the market or otherwise borrowed under section 1 (a) (ii) of this article, those obtained by the sale of gold, those received as payments of interest and other charges for direct loans made under sections 1 (a) (i) and (ii), and those received as payments of commissions and other charges under section 1 (a) (iii), shall be used or exchanged for other currencies or gold required in the operations of the bank without restriction by the members whose currencies are offered.

(e) Currencies raised in the markets of members by borrowers on loans guaranteed by the bank under section 1 (a) (iii) of this article, shall also be used or exchanged for other currencies without restriction by such members.

SEC. 3. *Provision of currencies for direct loans.*—The following provisions shall apply to direct loans under sections 1 (a) (i) and (ii) of this article.

(a) The bank shall furnish the borrower with such currencies of members, other than the member in whose territories the project is located, as are needed by the borrower for expenditures to be made in the territories of such other members to carry out the purposes of the loan.

(b) The bank may, in exceptional circumstances when local currency required for the purposes of the loan cannot be raised by the borrower on reasonable terms, provide the borrower as part of the loan with an appropriate amount of that currency.

(c) The bank, if the project gives rise indirectly to an increased need for foreign exchange by the member in whose territories the project is located, may in exceptional circumstances provide the borrower as part of the loan with an appropriate amount of gold or foreign exchange not in excess of the borrower's local expenditure in connection with the purposes of the loan.

(d) The bank may, in exceptional circumstances, at the request of a member in whose territories a portion of the loan is spent, repurchase with gold or foreign exchange a part of that member's currency thus spent but in no case shall the part so repurchased exceed the amount by which the expenditure of the loan in those territories gives rise to the increased need for foreign exchange.

SEC. 4. *Payment provisions for direct loans.*—Loan contracts under section 1 (a) (i) or (ii) of this article shall be made in accordance with the following payment provisions:

(a) The terms and conditions of interest and amortization payments, maturity and dates of payment of each loan shall be determined by the bank. The bank shall also determine the rate and any other terms and conditions of commission to be charged in connection with such loan.

In the case of loans made under section 1 (a) (ii) of this article during the first 10 years of the bank's operations, this rate of commission shall be not less than 1 percent per annum and not greater than  $1\frac{1}{2}$  percent per annum, and shall be charged on the outstanding portion of any such loan. At the end of this period of 10 years, the rate of commission may be reduced by the bank with respect both to the outstanding portions of loans already made and to future loans, if the reserve accumulated by the bank under section 6 of this article and out of other earnings are considered by it sufficient to justify a reduction. In the case of future loans the bank shall also have discretion to increase the rate of commission beyond the above limit, if experience indicates that an increase is advisable.

(b) All loan contracts shall stipulate the currency or currencies in which payments under the contract shall be made to the bank. At the option of the borrower, however, such payments may be made in gold, or subject to the agreement of the bank, in the currency of a member other than that prescribed in the contract.

(i) In the case of loans made under section 1 (a) (i) of this article, the loan contracts shall provide that payments to the bank of interest, other charges and amortization shall be made in the currency loaned, unless the member whose currency is loaned agrees that such payments shall be made in some other specified currency or currencies. These payments, subject to the provisions of article II, section 9 (c), shall be equivalent to the value of such contractual payments at the time the loans were made, in terms of a currency



specified for the purpose by the bank by a three-fourths majority of the total voting power.

(ii) In the case of loans made under section 1 (a) (ii) of this article, the total amount outstanding and payable to the bank in any one currency shall at no time exceed the total amount of the outstanding borrowings made by the bank under section 1 (a) (ii) and payable in the same currency.

(c) If a member suffers from an acute exchange stringency, so that the service of any loan contracted by that member or guaranteed by it or by one of its agencies cannot be provided in the stipulated manner, the member concerned may apply to the bank for a relaxation of the conditions of payments. If the bank is satisfied that some relaxation is in the interests of the particular member and of the operations of the bank and of its members as a whole, it may take action under either, or both, of the following paragraphs with respect to the whole, or part, of the annual service:

(i) The bank may, in its discretion, make arrangements with the member concerned to accept service payments on the loan in the member's currency for periods not to exceed 3 years upon appropriate terms regarding the use of such currency and the maintenance of its foreign exchange value; and for the repurchase of such currency on appropriate terms.

(ii) The bank may modify the terms of amortization or extend the life of the loan, or both.

SEC. 5. *Guarantees.*—(a) In guaranteeing a loan placed through the usual investment channels, the bank shall charge a guarantee commission payable periodically on the amount of the loan outstanding at a rate determined by the bank. During the first 10 years of the bank's operations, this rate shall be not less than 1 percent per annum and not greater than  $1\frac{1}{2}$  percent per annum. At the end of this period of 10 years, the rate of commission may be reduced by the bank with respect both to the outstanding portions of loans already guaranteed and to future loans if the reserves accumulated by the bank under section 6 of this article and out of other earnings are considered by it sufficient to justify a reduction. In the case of future loans the bank shall also have discretion to increase the rate of commission beyond the above limit, if experience indicates that an increase is advisable.

(b) Guarantee commissions shall be paid directly to the bank by the borrower.

(c) Guarantees by the bank shall provide that the bank may terminate its liability with respect to interest if, upon default by the borrower and by the guarantor, if any, the bank offers to purchase, at par and interest accrued to a date designated in the offer, the bonds or other obligations guaranteed.

(d) The bank shall have power to determine any other terms and conditions of the guarantee.

SEC. 6. *Special reserve.*—The amount of commissions received by the bank under sections 4 and 5 of this article shall be set aside as a special reserve, which shall be kept available for meeting liabilities of the bank in accordance with section 7 of this article. The special reserve shall be held in such liquid form, permitted under this agreement, as the executive directors may decide.

SEC. 7. *Methods of meeting liabilities of the bank in case of defaults.*—In cases of default on loans made, participated in, or guaranteed by the bank:

(a) The bank shall make such arrangements as may be feasible to adjust the obligations under the loans, including arrangements under or analogous to those provided in section 4 (c) of this article.

(b) The payments in discharge of the bank's liabilities on borrowings or guarantees under section 1 (a) (ii) and (iii) of this article shall be charged:

(i) First, against the special reserve provided in section 6 of this article;

(ii) Then, to the extent necessary and at the discretion of the bank, against the other reserves, surplus and capital available to the bank.

(c) Whenever necessary to meet contractual payments of interest, other charges or amortization on the bank's own borrowings, or to meet the bank's liabilities with respect to similar payments on loans guaranteed by it, the bank may call an appropriate amount of the unpaid subscriptions of members in accordance with article II, sections 5 and 7. Moreover, if it believes that a default may be of long duration, the bank may call an additional amount of such unpaid subscriptions not to exceed in any 1 year 1 percent of the total subscriptions of the members for the following purposes:

(i) To redeem prior to maturity, or otherwise discharge its liability on, all or part of the outstanding principal of any loan guaranteed by it in respect of which the debtor is in default.

(ii) To repurchase, or otherwise discharge its liability on, all or part of its own outstanding borrowings.



SEC. 8. *Miscellaneous operations.*—In addition to the operations specified elsewhere in this agreement, the bank shall have the power:

(i) To buy and sell securities it has issued and to buy and sell securities which it has guaranteed or in which it has invested, provided that the bank shall obtain the approval of the member in whose territories the securities are to be bought or sold.

(ii) To guarantee securities in which it has invested for the purpose of facilitating their sale.

(iii) To borrow the currency of any member with the approval of that member.

(iv) To buy and sell such other securities as the directors by a three-fourths majority of the total voting power may deem proper for the investment of all or part of the special reserve under section 6 of this article.

In exercising the powers conferred by this section, the bank may deal with any person, partnership, association, corporation or other legal entity in the territories of any member.

SEC. 9. *Warning to be placed on securities.*—Every security guaranteed or issued by the bank shall bear on its face a conspicuous statement to the effect that it is not an obligation of any government unless expressly stated on the security.

SEC. 10. *Political activity prohibited.*—The bank and its officers shall not interfere in the political affairs of any member; nor shall they be influenced in their decisions by the political character of the member or members concerned. Only economic considerations shall be relevant to their decisions, and these considerations shall be weighed impartially in order to achieve the purposes stated in article I.

#### ARTICLE V. ORGANIZATION AND MANAGEMENT

SECTION 1. *Structure of the bank.*—The bank shall have a board of governors, executive directors, a president and such other officers and staff to perform such duties as the bank may determine.

SEC. 2. *Board of governors.*—(a) All the powers of the bank shall be vested in the board of governors consisting of one governor and one alternate appointed by each member in such manner as it may determine. Each governor and each alternate shall serve for 5 years, subject to the pleasure of the member appointing him, and may be reappointed. No alternate may vote except in the absence of his principal. The board shall select one of the governors as chairman.

(b) The board of governors may delegate to the executive directors authority to exercise any powers of the board, except the power to:

(i) Admit new members and determine the conditions of their admission;

(ii) Increase or decrease the capital stock;

(iii) Suspend a member;

(iv) Decide appeals from interpretations of this agreement given by the executive directors;

(v) Make arrangements to cooperate with other international organizations (other than informal arrangements of a temporary and administrative character);

(vi) Decide to suspend permanently the operations of the bank and to distribute its assets;

(vii) Determine the distribution of the net income of the bank.

(c) The board of governors shall hold an annual meeting and such other meetings as may be provided for by the board or called by the executive directors. Meetings of the board shall be called by the directors whenever requested by five members or by members having one-quarter of the total voting power.

(d) A quorum for any meeting of the board of governors shall be a majority of the governors, exercising not less than two-thirds of the total voting power.

(e) The board of governors may by regulation establish a procedure whereby the executive directors, when they deem such action to be in the best interests of the bank, may obtain a vote of the governors on a specific question without calling a meeting of the board.

(f) The board of governors, and the executive directors to the extent authorized, may adopt such rules and regulations as may be necessary or appropriate to conduct the business of the bank.

(g) Governors and alternates shall serve as such without compensation from the bank, but the bank shall pay them reasonable expenses incurred in attending meetings.

(h) The board of governors shall determine the remuneration to be paid to the executive directors and the salary and terms of the contract of service of the president.

SEC. 3. *Voting*.—(a) Each member shall have 250 votes plus 1 additional vote for each share of stock held.

(b) Except as otherwise specifically provided, all matters before the bank shall be decided by a majority of the votes cast.

SEC. 4. *Executive directors*.—(a) The executive directors shall be responsible for the conduct of the general operations of the bank, and for this purpose, shall exercise all the powers delegated to them by the board of governors.

(b) There shall be 12 executive directors, who need not be governors, and of whom:

(i) Five shall be appointed, one by each of the five members having the largest number of shares;

(ii) Seven shall be elected according to schedule B by all the governors other than those appointed by the five members referred to in (i) above.

For the purpose of this paragraph, "members" means governments of countries whose names are set forth in schedule A, whether they are original members or become members in accordance with article II, section 1 (b). When governments of other countries become members, the board of governors may, by a four-fifths majority of the total voting power, increase the total number of directors by increasing the number of directors to be elected.

Executive directors shall be appointed or elected every 2 years.

(c) Each executive director shall appoint an alternate with full power to act for him when he is not present. When the executive directors appointing them are present, alternates may participate in meetings but shall not vote.

(d) Directors shall continue in office until their successors are appointed or elected. If the office of an elected director becomes vacant more than 90 days before the end of his term, another director shall be elected for the remainder of the term by the governors who elected the former director. A majority of the votes cast shall be required for election. While the office remains vacant, the alternate of the former director shall exercise his powers, except that of appointing an alternate.

(e) The executive directors shall function in continuous session at the principal office of the bank and shall meet as often as the business of the bank may require.

(f) A quorum for any meeting of the executive directors shall be a majority of the directors, exercising not less than one-half of the total voting power.

(g) Each appointed director shall be entitled to cast the number of votes allotted under section 3 of this article to the member appointing him. Each elected director shall be entitled to cast the number of votes which counted toward his election. All the votes which a director is entitled to cast shall be cast as a unit.

(h) The board of governors shall adopt regulations under which a member not entitled to appoint a director under (b) above may send a representative to attend any meeting of the executive directors when a request made by, or a matter particularly affecting, that member is under consideration.

(i) The executive directors may appoint such committees as they deem advisable. Membership of such committees need not be limited to governors or directors or their alternates.

SEC. 5. *President and staff*.—(a) The executive directors shall select a president who shall not be a governor or an executive director or an alternate for either. The president shall be chairman of the executive directors, but shall have no vote except a deciding vote in case of an equal division. He may participate in meetings of the board of governors, but shall not vote at such meetings. The president shall cease to hold office when the executive directors so decide.

(b) The president shall be chief of the operating staff of the bank and shall conduct, under the direction of the executive directors, the ordinary business of the bank. Subject to the general control of the executive directors, he shall be responsible for the organization, appointment and dismissal of the officers and staff.

(c) The president, officers and staff of the bank, in the discharge of their offices, owe their duty entirely to the bank and to no other authority. Each member of the bank shall respect the international character of this duty and shall refrain from all attempts to influence any of them in the discharge of their duties.

(d) In appointing the officers and staff the president shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible.

SEC. 6. *Advisory council*.—(a) There shall be an advisory council of not less than seven persons selected by the board of governors including representatives of banking, commercial, industrial, labor, and agricultural interests, and with as

wide a national representation as possible. In those fields where specialized international organizations exist, the members of the council representative of those fields shall be selected in agreement with such organizations. The council shall advise the bank on matters of general policy. The council shall meet annually and on such other occasions as the bank may request.

(b) Councillors shall serve for 2 years and may be reappointed. They shall be paid their reasonable expenses incurred on behalf of the bank.

SEC. 7. *Loan committees.*—The committees required to report on loans under article III, section 4, shall be appointed by the bank. Each such committee shall include an expert selected by the governor representing the member in whose territories the project is located and one or more members of the technical staff of the bank.

SEC. 8. *Relationship to other international organizations.*—(a) The bank, within the terms of this agreement, shall cooperate with any general international organization and with public international organizations having specialized responsibilities in related fields. Any arrangements for such cooperation which would involve a modification of any provision of this agreement may be effected only after amendment to this agreement under article VIII.

(b) In making decisions on applications for loans or guarantees relating to matters directly within the competence of any international organization of the types specified in the preceding paragraph and participated in primarily by members of the bank, the bank shall give consideration to the views and recommendations of such organization.

SEC. 9. *Location of offices.*—(a) The principal office of the bank shall be located in the territory of the member holding the greatest number of shares.

(b) The bank may establish agencies or branch offices in the territories of any member of the bank.

SEC. 10. *Regional offices and councils.*—(a) The bank may establish regional offices and determine the location of, and the areas to be covered by, each regional office.

(b) Each regional office shall be advised by a regional council representative of the entire area and selected in such manner as the bank may decide.

SEC. 11. *Depositories.*—(a) Each member shall designate its central bank as a depository for all the bank's holdings of its currency or, if it has no central bank, it shall designate such other institution as may be acceptable to the bank.

(b) The bank may hold other assets, including gold, in depositories designated by the five members having the largest number of shares and in such other designated depositories as the bank may select. Initially, at least one-half of the gold holdings of the bank shall be held in the depository designated by the member in whose territory the bank has its principal office, and at least 40 percent shall be held in the depositories designated by the remaining four members referred to above, each of such depositories to hold, initially, not less than the amount of gold paid on the shares of the member designating it. However, all transfers of gold by the bank shall be made with due regard to the costs of transport and anticipated requirements of the bank. In an emergency the executive directors may transfer all or any part of the bank's gold holdings to any place where they can be adequately protected.

SEC. 12. *Form of holding of currency.*—The bank shall accept from any member, in place of any part of the member's currency, paid in to the bank under article II, section 7 (i), or to meet amortization payments on loans made with such currency, and not needed by the bank in its operations, notes or similar obligations issued by the Government of the member or the depository designated by such member, which shall be nonnegotiable, noninterest-bearing and payable at their par value on demand by credit to the account of the bank in the designated depository.

SEC. 13. *Publication of reports and provision of information.*—(a) The bank shall publish an annual report containing an audited statement of its accounts and shall circulate to members at intervals of 3 months or less a summary statement of its financial position and a profit and loss statement showing the results of its operations.

(b) The bank may publish such other reports as it deems desirable to carry out its purposes.

(c) Copies of all reports, statements and publications made under this section shall be distributed to members.

SEC. 14. *Allocation of net income.*—(a) The board of governors shall determine annually what part of the bank's net income, after making provision for reserves, shall be allocated to surplus and what part, if any, shall be distributed.



(b) If any part is distributed, up to 2 percent noncumulative shall be paid, as a first charge against the distribution for any year, to each member on the basis of the average amount of the loans outstanding during the year made under article IV, section 1 (a) (i), out of currency corresponding to its subscription. If 2 percent is paid as a first charge, any balance remaining to be distributed shall be paid to all members in proportion to their shares. Payments to each member shall be made in its own currency, or if that currency is not available in other currency acceptable to the member. If such payments are made in currencies other than the member's own currency, the transfer of the currency and its use by the receiving member after payment shall be without restriction by the members.

#### ARTICLE VI. WITHDRAWAL AND SUSPENSION OF MEMBERSHIP: SUSPENSION OF OPERATIONS

SECTION 1. *Right of members to withdraw.*—Any member may withdraw from the bank at any time by transmitting a notice in writing to the bank at its principal office. Withdrawal shall become effective on the date such notice is received.

SEC. 2. *Suspension of membership.*—If a member fails to fulfill any of its obligations to the bank, the bank may suspend its membership by decision of a majority of the governors, exercising a majority of the total voting power. The member so suspended shall automatically cease to be a member 1 year from the date of its suspension unless a decision is taken by the same majority to restore the member to good standing.

While under suspension, a member shall not be entitled to exercise any rights under this agreement, except the right of withdrawal, but shall remain subject to all obligations.

SEC. 3. *Cessation of membership in international monetary fund.*—Any member which ceases to be a member of the international monetary fund shall automatically cease after 3 months to be a member of the bank unless the bank by three-fourths of the total voting power has agreed to allow it to remain a member.

SEC. 4. *Settlement of accounts with governments ceasing to be members.*—(a) When a government ceases to be a member, it shall remain liable for its direct obligations to the bank and for its contingent liabilities to the bank so long as any part of the loans or guarantees contracted before it ceased to be a member are outstanding; but it shall cease to incur liabilities with respect to loans and guarantees entered into thereafter by the bank and to share either in the income or the expenses of the bank.

(b) At the time a government ceases to be a member, the bank shall arrange for the repurchase of its shares as a part of the settlement of accounts with such government in accordance with the provisions of (c) and (d) below. For this purpose the repurchase price of the shares shall be the value shown by the books of the bank on the day the government ceases to be a member.

(c) The payment for shares repurchased by the bank under this section shall be governed by the following conditions:

(i) Any amount due to the government for its shares shall be withheld so long as the government, its central bank or any of its agencies remains liable, as borrower or guarantor, to the bank and such amount may, at the option of the bank, be applied on any such liability as it matures. No amount shall be withheld on account of the liability of the government resulting from its subscription for shares under article II, section 5 (ii). In any event, no amount due to a member for its shares shall be paid until 6 months after the date upon which the government ceases to be a member.

(ii) Payments for shares may be made from time to time, upon their surrender by the government, to the extent by which the amount due as the repurchase price in (b) above exceeds the aggregate of liabilities on loans and guarantees in (c) (i) above until the former member has received the full repurchase price.

(iii) Payments shall be made in the currency of the country receiving payment or at the option of the bank in gold.

(iv) If losses are sustained by the bank on any guarantees, participations in loans, or loans which were outstanding on the date when the government ceased to be a member, and the amount of such losses exceeds the amount of the reserve provided against losses on the date when the government ceased to be a member, such government shall be obligated to repay upon demand the amount by which the repurchase price of its shares would have been reduced, if the losses had been taken into account when the repurchase price was determined. In addition, the former member government shall



remain liable on any call for unpaid subscriptions under article II, section 5 (ii), to the extent that it would have been required to respond if the impairment of capital had occurred and the call had been made at the time the repurchase price of its shares was determined.

(d) If the bank suspends permanently its operations under section 5 (b) of this article, within 6 months of the date upon which any government ceases to be a member, all rights of such government shall be determined by the provisions of section 5 of the article.

SEC. 5. *Suspension of operations and settlement of obligations.*—(a) In an emergency the executive directors may suspend temporarily operations in respect of new loans and guarantees pending an opportunity for further consideration and action by the board of governors.

(b) The bank may suspend permanently its operations in respect of new loans and guarantees by vote of a majority of the governors, exercising a majority of the total voting power. After such suspension of operations the bank shall forthwith cease all activities, except those incident to the orderly realization, conservation, and preservation of its assets and settlement of its obligations.

(c) The liability of all members for uncalled subscriptions to the capital stock of the bank and in respect of the depreciation of their own currencies shall continue until all claims of creditors, including all contingent claims, shall have been discharged.

(d) All creditors holding direct claims shall be paid out of the assets of the bank, and then out of payments to the bank on calls on unpaid subscriptions. Before making any payments to creditors holding direct claims, the executive directors shall make such arrangements as are necessary, in their judgment, to insure a distribution to holders of contingent claims ratably with creditors holding direct claims.

(e) No distribution shall be made to members on account of their subscriptions to the capital stock of the bank until

(i) All liabilities to creditors have been discharged or provided for, and

(ii) A majority of the governors, exercising a majority of the total voting power, have decided to make a distribution.

(f) After a decision to make a distribution has been taken under (e) above, the executive directors may by a two-thirds majority vote make successive distributions of the assets of the bank to members until all of the assets have been distributed. This distribution shall be subject to the prior settlement of all outstanding claims of the bank against each member.

(g) Before any distribution of assets is made, the executive directors shall fix the proportionate share of each member according to the ratio of its shareholding to the total outstanding shares of the bank.

(h) The executive directors shall value the assets to be distributed as at the date of distribution and then proceed to distribute in the following manner:

(i) There shall be paid to each member in its own obligations or those of its official agencies or legal entities within its territories, insofar as they are available for distribution, an amount equivalent in value to its proportionate share of the total amount to be distributed.

(ii) Any balance due to a member after payment has been made under (i) above shall be paid, in its own currency, insofar as it is held by the bank, up to an amount equivalent in value to such balance.

(iii) Any balance due to a member after payment has been made under (i) and (ii) above shall be paid in gold or currency acceptable to the member, insofar as they are held by the bank, up to an amount equivalent in value to such balance.

(iv) Any remaining assets held by the bank after payments have been made to members under (i), (ii), and (iii) above shall be distributed pro rata among the members.

(z) Any member receiving assets distributed by the bank in accordance with (h) above, shall enjoy the same rights with respect to such assets as the bank enjoyed prior to their distribution.

#### ARTICLE VII. STATUS, IMMUNITIES, AND PRIVILEGES

SECTION 1. *Purpose of article.*—To enable the bank to fulfill the functions with which it is entrusted, the status, immunities and privileges set forth in this article shall be accorded to the bank in the territories of each member.

SEC. 2. *Status of the bank.*—The bank shall possess full juridical personality, and, in particular, the capacity:

- (i) To contract;
- (ii) To acquire and dispose of immovable and movable property;
- (iii) To institute legal proceedings.

SEC. 3. *Position of the bank with regard to judicial process.*—Actions may be brought against the bank only in a court of competent jurisdiction in the territories of a member in which the bank has an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members. The property and assets of the bank shall, wheresoever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the bank.

SEC. 4. *Immunity of assets from seizure.*—Property and assets of the bank, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation, or any other form of seizure by executive or legislative action.

SEC. 5. *Immunity of archives.*—The archives of the bank shall be inviolable.

SEC. 6. *Freedom of assets from restrictions.*—To the extent necessary to carry out the operations provided for in this agreement and subject to the provisions of this agreement, all property and assets of the bank shall be free from restrictions, regulations, controls, and moratoria of any nature.

SEC. 7. *Privilege for communications.*—The official communications of the bank shall be accorded by each member the same treatment that it accords to the official communications of other members.

SEC. 8. *Immunities and privileges of officers and employees.*—All governors, executive directors, alternates, officers, and employees of the bank

(i) Shall be immune from legal process with respect to acts performed by them in their official capacity except when the bank waives this immunity;

(ii) Not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;

(iii) Shall be granted the same treatment in respect of traveling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

SEC. 9. *Immunities from taxation.*—(a) The bank, its assets, property, income and its operations and transactions authorized by this agreement, shall be immune from all taxation and from all customs duties. The bank shall also be immune from liability for the collection or payment of any tax or duty.

(b) No tax shall be levied on or in respect of salaries and emoluments paid by the bank to executive directors, alternates, officials or employees of the bank who are not local citizens, local subjects, or other local nationals.

(c) No taxation of any kind shall be levied on any obligation or security issued by the bank (including any dividend or interest thereon) by whomsoever held

(i) Which discriminates against such obligation or security solely because it is issued by the bank; or

(ii) If the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the bank.

(d) No taxation of any kind shall be levied on any obligation or security guaranteed by the bank (including any dividend or interest thereon) by whomsoever held

(i) Which discriminates against such obligation or security solely because it is guaranteed by the bank; or

(ii) If the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the bank.

SEC. 10. *Application of article.*—Each member shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this article and shall inform the bank of the detailed action which it has taken.

#### ARTICLE VIII. AMENDMENTS

(a) Any proposal to introduce modifications in this agreement, whether emanating from a member, a governor, or the executive directors, shall be communicated to the chairman of the board of governors who shall bring the proposal before the board. If the proposed amendment is approved by the board the bank shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths

of the total voting power, have accepted the proposed amendment, the bank shall certify the fact by a formal communication addressed to all members.

(b) Notwithstanding (a) above, acceptance by all members is required in the case of any amendment modifying

(i) The right to withdraw from the bank provided in article VI, section 1;

(ii) The right secured by article II, section 3 (c);

(iii) The limitation on liability provided in article II, section 6.

(c) Amendments shall enter into force for all members 3 months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.

#### ARTICLE IX. INTERPRETATION

(a) Any question of interpretation of the provisions of this agreement arising between any member and the bank or between any members of the bank shall be submitted to the executive directors for their decision. If the question particularly affects any member not entitled to appoint an executive director, it shall be entitled to representation in accordance with article V, section 4 (h).

(b) In any case where the executive directors have given a decision under (a) above, any member may require that the question be referred to the board of governors, whose decision shall be final. Pending the result of the reference to the board, the bank may, so far as it deems necessary, act on the basis of the decision of the executive directors.

(c) Whenever a disagreement arises between the bank and a country which has ceased to be a member, or between the bank and any member during the permanent suspension of the bank, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the bank, another by the country involved and an umpire who, unless the parties otherwise agree, shall be appointed by the president of the Permanent Court of International Justice or such other authority as may have been prescribed by regulation adopted by the bank. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

#### ARTICLE X. APPROVAL DEEMED GIVEN

Whenever the approval of any member is required before any act may be done by the bank, except in article VIII, approval shall be deemed to have been given unless the member presents an objection within such reasonable period as the bank may fix in notifying the member of the proposed act.

#### ARTICLE XI. FINAL PROVISIONS

SECTION 1. *Entry into force.*—This agreement shall enter into force when it has been signed on behalf of governments whose minimum subscriptions comprise not less than 65 percent of the total subscriptions set forth in schedule A and when the instruments referred to in section 2 (a) of this article have been deposited on their behalf, but in no event shall this agreement enter into force before May 1, 1945.

SEC. 2. *Signature.*—(a) Each government on whose behalf this agreement is signed shall deposit with the Government of the United States of America an instrument setting forth that it has accepted this agreement in accordance with its law and has taken all steps necessary to enable it to carry out all of its obligations under this agreement.

(b) Each government shall become a member of the bank as from the date of the deposit on its behalf of the instrument referred to in (a) above, except that no government shall become a member before this agreement enters into force under section 1 of this article.

(c) The Government of the United States of America shall inform the governments of all countries whose names are set forth in schedule A, and all governments whose membership is approved in accordance with article II, section 1 (b), of all signatures of this agreement and of the deposit of all instruments referred to in (a) above.

(d) At the time this agreement is signed on its behalf, each government shall transmit to the Government of the United States of America one one-hundredth of 1 percent of the price of each share in gold or United States dollars for the purpose of meeting administrative expenses of the bank. This payment shall be credited on account of the payment to be made in accordance with article II, section 8 (a). The Government of the United States of America shall hold such funds in a special deposit account and shall transmit them to the board of governors of the bank when the initial meeting has been called under section 3 of this article. If this



agreement has not come into force by December 31, 1945, the Government of the United States of America shall return such funds to the governments that transmitted them.

(e) This agreement shall remain open for signature at Washington on behalf of the governments of the countries whose names are set forth in schedule A until December 31, 1945.

(f) After December 31, 1945, this agreement shall be open for signature on behalf of the government of any country whose membership has been approved in accordance with article II, section 1 (b).

(g) By their signature of this agreement, all governments accept it both on their own behalf and in respect of all their colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate.

(h) In the case of governments whose metropolitan territories have been under enemy occupation, the deposit of the instrument referred to in (a) above may be delayed until 180 days after the date on which these territories have been liberated. If, however, it is not deposited by any such government before the expiration of this period, the signature affixed on behalf of that government shall become void and the portion of its subscription paid under (d) above shall be returned to it.

(i) Paragraphs (d) and (h) shall come into force with regard to each signatory government as from the date of its signature.

SEC. 3. *Inauguration of the bank.*—(a) As soon as this agreement enters into force under section 1 of this article, each member shall appoint a governor and the member to whom the largest number of shares is allocated in schedule A shall call the first meeting of the board of governors.

(b) At the first meeting of the board of governors, arrangements shall be made for the selection of provisional executive directors. The governments of the five countries, to which the largest number of shares are allocated in schedule A, shall appoint provisional executive directors. If one or more of such governments have not become members, the executive directorships which they would be entitled to fill shall remain vacant until they become members, or until January 1, 1946, whichever is the earlier. Seven provisional executive directors shall be elected in accordance with the provisions of schedule B and shall remain in office until the date of the first regular election of executive directors which shall be held as soon as practicable after January 1, 1946.

(c) The board of governors may delegate to the provisional executive directors any powers except those which may not be delegated to the executive directors.

(d) The bank shall notify members when it is ready to commence operations.

Done at Washington, in a single copy which shall remain deposited in the archives of the Government of the United States of America, which shall transmit certified copies to all governments whose names are set forth in schedule A and to all governments whose membership is approved in accordance with article II, section 1 (b).

#### SCHEDULE A. SUBSCRIPTIONS

[Millions of dollars]

Australia.....	200	Iran.....	24
Belgium.....	225	Iraq.....	6
Bolivia.....	7	Liberia.....	10.5
Brazil.....	105	Luxembourg.....	10
Canada.....	325	Mexico.....	65
Chile.....	35	Netherlands.....	275
China.....	600	New Zealand.....	50
Colombia.....	35	Nicaragua.....	15
Costa Rica.....	2	Norway.....	50
Cuba.....	35	Panama.....	2
Czechoslovakia.....	125	Paraguay.....	8
Denmark.....	(1)	Peru.....	17.5
Dominican Republic.....	2	Philippine Commonwealth.....	15
Ecuador.....	3.2	Poland.....	125
Egypt.....	40	Union of South Africa.....	100
El Salvador.....	1	Union of Soviet Socialist Republics.....	1,200
Ethiopia.....	3	United Kingdom.....	1,300
France.....	450	United States.....	3,175
Greece.....	25	Uruguay.....	10.5
Guatemala.....	2	Venezuela.....	10.5
Haiti.....	2	Yugoslavia.....	40
Honduras.....	1		
Iceland.....	1	Total.....	9,100
India.....	400		

<sup>1</sup> The subscription of Denmark shall be determined by the bank after Denmark accepts membership in accordance with these articles of agreement.



## SCHEDULE B. ELECTION OF EXECUTIVE DIRECTORS.

1. The election of the elective executive directors shall be by ballot of the governors eligible to vote under article V, section 4 (b).

2. In balloting for the elective executive directors, each governor eligible to vote shall cast for one person all of the votes to which the member appointing him is entitled under section 3 of article V. The seven persons receiving the greatest number of votes shall be executive directors, except that no person who receives less than 14 percent of the total of the votes which can be cast (eligible votes) shall be considered elected.

3. When seven persons are not elected on the first ballot, a second ballot shall be held in which the person who received the lowest number of votes shall be ineligible for election and in which there shall vote only (a) those governors who voted in the first ballot for a person not elected and (b) those governors whose votes for a person elected are deemed under 4 below to have raised the votes cast for that person above 15 percent of the eligible votes.

4. In determining whether the votes cast by a governor are to be deemed to have raised the total of any person above 15 percent of the eligible votes, the 15 percent shall be deemed to include first, the votes of the governor casting the largest number of votes for such person, then the votes of the governor casting the next largest number, and so on until 15 percent is reached.

5. Any governor, part of whose votes must be counted in order to raise the total of any person above 14 percent, shall be considered as casting all of his votes for such person even if the total votes for such person thereby exceed 15 percent.

6. If, after the second ballot, seven persons have not been elected, further ballots shall be held on the same principles until seven persons have been elected, provided that after six persons are elected, the seventh may be elected by a simple majority of the remaining votes and shall be deemed to have been elected by all such votes.

## COUNTRIES REPRESENTED AND CHAIRMEN OF DELEGATIONS

Australia.—Leslie G. Melville, *Economic Adviser to the Commonwealth Bank of Australia.*

Belgium.—Camille Gutt, *Minister of Finance and Economic Affairs.*

Bolivia.—Rene Ballivian, *Financial Counselor, Bolivian Embassy, Washington.*

Brazil.—Arthur de Souza Costa, *Minister of Finance.*

Canada.—J. L. Hsley, *Minister of Finance.*

Chile.—Luis Alamos Barros, *Director, Central Bank of Chile.*

China.—Hsiang-Hsi K'ung, *Vice President of Executive Yuan and concurrently Minister of Finance; Governor of the Central Bank of China.*

Colombia.—Carlos Lleras Restrepo, *former Minister of Finance and Comptroller General.*

Costa Rica.—Francisco de P. Gutierrez Ross, *Ambassador to the United States; former Minister of Finance and Commerce.*

Cuba.—E. I. Montoulieu, *Minister of Finance.*

Czechoslovakia.—Ladislav Feierabend, *Minister of Finance.*

Dominican Republic.—Anselmo Copello, *Ambassador to the United States.*

Ecuador.—Esteban F. Carbo, *Financial Counselor, Ecuadoran Embassy, Washington.*

Egypt.—Sany Lackany Bey.

El Salvador.—Agustin Alfaro Moran.

Ethiopia.—Blatta Ephrem Tewelde Medhen, *Minister to the United States.*

French Delegation.—Pierre Mendes-France, *Commissioner of Finance.*

Greece.—Kyriakos Varvaressos, *Governor of the Bank of Greece; Ambassador Extraordinary for Economic and Financial Matters.*

Guatemala.—Manuel Noriega Morales.

Haiti.—Andre Liautaud, *Ambassador to the United States.*

Honduras.—Julian R. Caceres, *Ambassador to the United States.*

Iceland.—Magnus Sigurdsson, *Manager, National Bank of Iceland.*

India.—Sir Jeremy Raisman, *Member for Finance, Government of India.*

Iran.—Abol Hassan Ebtehaj, *Governor of National Bank of Iran.*

Iraq.—Ibrahim Kamal, *Senator and former Minister of Finance.*

Liberia.—William E. Dennis, *Secretary of the Treasury.*

Luxembourg.—Hugues Le Gallais, *Minister to the United States.*

Mexico.—Eduardo Suarez, *Minister of Finance.*

Netherlands.—J. W. Beyen, *Financial Adviser to the Netherlands Government*.  
 New Zealand.—Walter Nash, *Minister of Finance; Minister to the United States*.  
 Nicaragua.—Guillermo Sevilla Sacasa, *Ambassador to the United States*.  
 Norway.—Wilhelm Keilhau, *Director, Bank of Norway, p. t., London*.  
 Panama.—Guillermo Arango, *President, Investors Service Corporation of Panama*.  
 Paraguay.—Celso R. Velazquez, *Ambassador to the United States*.  
 Peru.—Pedro Beltran, *Ambassador-designate to the United States*.  
 Philippine Commonwealth.—Colonel Andres Soriano, *Secretary of Finance*.  
 Poland.—Ludwik Grosfeld, *Minister of Finance*.  
 Union of South Africa.—S. F. N. Gie, *Minister to the United States*.  
 Union of Soviet Socialist Republics.—M. S. Stepanov, *Deputy People's Commissar of Foreign Trade*.  
 United Kingdom.—Lord Keynes.  
 United States of America.—Henry Morgenthau, Jr., *Secretary of the Treasury*.  
 Uruguay.—Mario Le Gamma Acevedo, *Expert, Ministry of Finance*.  
 Venezuela.—Rodolfo Rojas, *Minister of the Treasury*.  
 Yugoslavia.—Vladimir Rybar, *Counselor of the Yugoslav Embassy, Washington*.  
 Henrik de Kauffmann, *Danish Minister to the United States, in his personal capacity*.

## DELEGATION OF THE UNITED STATES

*Delegates*

Henry Morgenthau, Jr., *Secretary of the Treasury, Chairman*.  
 Fred M. Vinson, *Director, Office of Economic Stabilization, Vice Chairman*.  
 Dean Acheson, *Assistant Secretary of State*.  
 Edward E. Brown, *President, First National Bank of Chicago*.  
 Leo T. Crowley, *Administrator, Foreign Economic Administration*.  
 Marriner S. Eccles, *Chairman, Board of Governors of the Federal Reserve System*.  
 Mabel Newcomer, *Professor of Economics, Vassar College*.  
 Brent Spence, *House of Representatives; Chairman, Committee on Banking and Currency*.  
 Charles W. Tobey, *United States Senate; Member, Committee on Banking and Currency*.  
 Robert F. Wagner, *United States Senate; Chairman, Committee on Banking and Currency*.  
 Harry D. White, *Assistant Secretary of the Treasury*.  
 Jesse P. Wolcott, *House of Representatives; Member, Committee on Banking and Currency*.

*Technical advisers*

E. M. Bernstein, *Treasury Department, Executive Secretary of the Delegation*.  
 James W. Angell, *Foreign Economic Administration*.  
 Malcolm Bryan, *First Vice President, Federal Reserve Bank of Atlanta*.  
 E. G. Collado, *Department of State*.  
 Henry Edmiston, *Vice President, Federal Reserve Bank of St. Louis*.  
 Walter Gardner, *Board of Governors, Federal Reserve System*.  
 E. A. Goldenweiser, *Board of Governors, Federal Reserve System*.  
 A. H. Hansen, *Board of Governors, Federal Reserve System*.  
 Frederick Livesey, *Department of State*.  
 Walter Louchheim, Jr., *Securities and Exchange Commission*.  
 August Maffry, *Department of Commerce*.  
 Norman T. Ness, *Treasury Department*.  
 Leo S. Pasvolksy, *Department of State*.  
 Warren Pierson, *Export-Import Bank*.  
 Chauncey W. Reed, *House of Representatives; Member, Committee on Coinage, Weights and Measures*.  
 Andrew L. Somers, *House of Representatives; Chairman, Committee on Coinage, Weights and Measures*.  
 M. S. Szymczak, *Board of Governors, Federal Reserve System*.

*Legal advisers*

Ansel F. Luxford, *Treasury Department, Chief Legal Adviser*.  
 Ben V. Cohen, *Office of Economic Stabilization*.  
 Oscar Cox, *Foreign Economic Administration*.  
 E. B. Stroud, *Vice President, Federal Reserve Bank of Dallas*.

*Secretary general of the delegation*

Charles S. Bell, *Treasury Department.*

*Assistants to the chairman*

Henrietta S. Klotz, *Treasury Department.*

Margaret McHugh, *Treasury Department.*

Frederik Smith, *Treasury Department.*

Arthur Sweetser, *Office of War Information.*

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**Exhibit 37**

*Statement of Secretary Morgenthau before the House Committee on Banking and Currency, March 7, 1945, on the Bretton Woods agreements*

The legislation which you have been good enough to ask me to discuss with you today is perhaps the most important measure for post-war international cooperation yet to come before Congress.

Right at the outset, therefore, I would like you to know that I have examined it just as carefully as I know how, and I am convinced of one fundamental fact. The Bretton Woods agreements are good for every American citizen.

I have been in close contact with every step of their development. I have watched the many months of arduous preliminary work. I have taken part in the deliberations of the conference at Bretton Woods, New Hampshire. I have studied the discussion that has taken place in the seven months since then. And I can assure you that the program we are advocating is definitely good business for the United States.

The Bretton Woods agreements, it is true, deal with the rather technical questions of national currencies and international credits. But they present a very simple issue—stability and order instead of insecurity and chaos.

Furthermore, these agreements can be translated into the basic necessities of life for the American people. They involve jobs and profits. They help determine the fate of both new and old enterprises. They govern the amount of food on the family table, the money for a new radio, school books for the children. Our country has as much to gain, perhaps more than any other, from passage of the legislation now before you.

The Bretton Woods agreements are a firm step toward the solution of two problems which concern the American people more than anything except only the progress of our fighting men overseas. These problems are the organization of world security and the development of the world's resources for the benefit of all its people. Of course, the two objectives are as interdependent as the blades of a pair of scissors. One will not work very well without the other.

Legislation to carry out the Bretton Woods program is the first practical test of our willingness to cooperate in the work of world reconstruction and stabilization. It is also one very important step toward the orderly, expanding foreign trade upon which the future prosperity of our agriculture and our industry depends.

At Bretton Woods, the representatives of 44 United Nations agreed upon the creation of an international monetary fund and an International Bank for Reconstruction and Development. The members of Congress who were part of our delegation and contributed much to the success of the conference know that there was no trace of partisan politics in our deliberations. Nor has partisanship intruded itself into the issue since then.

We were seeking a solution to one of the world's knottiest problems. Only the good will, good sense and sincerity of all the 44 nations could have found it. And I am confident that we did find it.

The monetary fund provides machinery for preventing or if need be repairing the dislocation of international exchange rates. Stability in these rates means that all the nations can enter into world commerce without resorting to cut-throat competition. In world trade, such throat-cutting in the 1930's took the form of currency depreciation, blocked funds, import quotas, multiple currencies and trade preferences. Desperate nations tried to save themselves at the expense of their neighbors. The result was injury to both. The trade of the United States suffered heavily from discriminatory practices of this kind. Our foreign commerce, which had fallen off sharply during the depression, made substantial



gains where trade was free, but failed to recover and even lost ground in trade with those countries which had set up monetary barriers against us.

One of the chief contributions to peace that the Bretton Woods program offers is that it will free the small and even the middle-sized nations from the danger of economic aggression by more powerful neighbors. The lesser nation will no longer be obliged to look to a single powerful country for monetary support or capital for development, and have to make dangerous political and economic concessions in the process. Political independence in the past has often proved to be a sham when economic independence did not go with it.

Under the Bretton Woods agreements, both will be strengthened. The smaller countries can come to the international fund for monetary aid and to the world bank for reconstruction and development funds. Loans will be made without political strings and without forcing the borrower into unnatural or undesirable trade relationships.

Therefore, in considering the legislation to carry out the Bretton Woods program, the choice before us is the fundamental one of economic isolationism versus United States cooperation in the rebuilding of a peaceful world. We know that economic security in the midst of political chaos is impossible. But political security in the midst of economic chaos is equally impossible. The Bretton Woods agreements are a part of the over-all program to achieve both political and economic security.

Power politics, in the sense of the bullying of small nations by big ones and of weak nations by powerful ones, has become a term of reproach in the world. The United Nations hope to abolish it from the earth. But power economics may be just as dangerous, for if it is not the root of all evil in international affairs it is at the very least a frequent cause of conflict. The legislation before this committee offers what I am convinced is our best hope of banishing that, too.

Of course, no program that the wisdom of men could devise can possibly prevent a repetition of the tragedies of the Thirties unless there is a will to carry it out. Obviously, governments first of all must want to achieve monetary stability. The fact that 44 delegations approved the monetary fund was the substantial evidence of their desire for stabilization. The legislation before your committee is simply the machinery through which that will can be expressed.

The International Bank for Reconstruction and Development is designed to stimulate the reconstruction of war-torn countries and the necessary development in all countries. It is strictly confined to loans for thoroughly productive purposes. It is hedged about with safeguards to insure sound practices. Its functions have been formulated so that private finance will be rather helped than hindered by its operation.

The practical benefits of the program are so great and so obvious that I should like to summarize them briefly. But it must be understood that the success of the Bretton Woods agreements, and the success of any other international agreements or national policies, depend upon other progressive and intelligent measures to insure the economic health of the world.

As an important part of the machinery for establishing peace and promoting a profitable and useful commerce after the war, the Bretton Woods agreements will do or contribute to the doing of these things:

They will offer a medium for stabilizing exchange rates through which the foreign business of American firms can be carried out in an orderly manner and on an expanding scale. Anyone who had to grope his business way through the maze of fluctuating foreign currencies between the two world wars will appreciate the value of this.

The agreements will be an equal benefit to American companies with branches abroad. In all too many cases in the past, the profits of those branches were frozen. The Bretton Woods program will facilitate the payment of the legitimate profits of American branches abroad by any member nation.

Because it offers a method for stabilizing currencies, the monetary fund is a long step toward eliminating some of the most dangerous restrictions on foreign trade. It removes the excuse for the tangle of import quotas, discriminatory tariffs and other desperate measures which added so many difficulties to the friendly economic relations between nations in the Thirties.

The operation of the Bank will offer the best protection the American investor has ever enjoyed in the field of foreign finance. The facilities of the Bank are to be such that the private American purchaser of foreign bonds will know that impartial experts have considered the purpose of the loan sound. If the Bank's own money goes into floating the issue, the loan will also be guaranteed by the borrowing country and by all the resources of the Bank as derived from 44 mem-



ber nations. People who bought certain foreign bonds during the Twenties will realize how great a boon this can be.

In effect, the Bank discourages the borrowing country from seeking money that it cannot use productively and repay in full. It protects the lender from putting his money into investments that are not sound either because the borrower is over-extended or because the purpose of the loan is not genuinely useful.

In the post-war world there will be many demands for reconstruction and new development which will not offer an attractive return to private finance. Or perhaps they will seem too risky to the private financier. These loans the Bank would be prepared to make itself at low rates of interest or to guarantee for the private financing group. The obvious result will be speedier rebuilding of the nations which are America's customers and the development of new resources and new sources of wealth in countries which will be better customers than before.

In short, the whole program becomes the foundation for protection of investors, a program which will encourage productive investments abroad. It becomes the basis for stabilizing foreign trade, which is essential to full production and full employment in the United States.

Of course, that foundation must be built upon. The walls and roof are quite as important. But let us do first things first. The walls will totter and the roof fall in on us unless we have the firm foundation. That is provided in the Bretton Woods agreements and in the legislation for putting them into effect.

I should like to enter a plea here to avoid delay in building our foundation. Time is the most valuable commodity we have. I do not urge haste in the deliberations of this Committee or the Congress. I am sure that the more you study the facts, the more you will approve of the Bretton Woods proposals. As I have tried to indicate, these are essentially the establishment of stable exchange arrangements for the world's commerce. In my own experience as an advocate of Bretton Woods in these last few months, I have found that an open mind and understanding of the principles of the agreements is followed by approval.

The delay I would wish to avoid is not the delay of full and frank discussion. It is the delay that would be caused by attempting to convene another conference if these agreements should be rejected. At Bretton Woods we had our chance to begin building post-war monetary stability. We made the most of it. But it is unlikely that this opportunity will come again to our generation.

There is another point even more important, if that is possible. The fate of more than the Bretton Woods agreements hangs upon the action of Congress at this time. Favorable action on the bills before you will provide the most heartening evidence you can give that we in the United States are thoroughly sincere in our devotion to the principles of international cooperation. You will have added deeds to the words of hope which linked the United Nations in a great alliance for peace.

The world security organization which was outlined at Dumbarton Oaks and will be completed, we all hope, at San Francisco needs the Bretton Woods agreements.

We cannot say that we will join the other nations in an organization to maintain peace, but will not help to remove one of the most dangerous causes of war—economic dislocations. We cannot say we believe in cooperation to beat Fascism, but will not cooperate in the removal of one of Fascism's chief weapons—economic aggression. We cannot say we want equality of all nations and leave some of them at the financial mercy of others.

We are committed by all that we have said and done in these last four years to a community of power in the world, not to the irresponsible, unilateral wielding of power. The Bretton Woods agreements offer us the machinery for bringing the strength of 44 nations to the task of stabilizing the media by which peoples exchange their goods, conduct business with each other, and provide for a mutual rise in standards of living.

The men who will follow me in putting this case before you will amplify these arguments. They will give you the whole record, and for my part I am eager that the record speak for us. The facts, all the facts and nothing but the facts are what this Committee and both Houses of the Congress will want. Perhaps the most important fact of all is that we are facing one of those critical moments in history to which future generations will look back and say:

"There the world was at a turning point."

The stupendous task for us—for you in the Congress and us in the executive departments of Government—is to act now so that those future generations also will say:

"Thank God, they took the right turning."

## Exhibit 38

*Statement of Secretary Morgenthau before the Senate Committee on Banking and Currency, June 12, 1945, on the Bretton Woods agreements*

When I appeared before the House Committee on Banking and Currency to discuss this legislation, I told the Committee that in my opinion, "the Bretton Woods agreements are good for every American citizen" and that "the program we are advocating is definitely good business for the United States."

In that statement I discussed the importance of Bretton Woods to world trade. Before the war, we were the largest exporting nation in the world. We needed exports to maintain jobs, to absorb part of the output of American factories and farms. We were also a large importer, the second largest in the world. We needed imported raw materials for our industries and scores of imported products to meet the everyday demands of our consumers.

After the war, we will have even more reason for exporting and importing, for expanding trade. To make this possible, the producing and trading power of many countries must be restored and developed; the currency restrictions and discriminations that stifle trade must be relaxed and removed. And that—in substance—is what the Bretton Woods proposals are about.

I want to emphasize another aspect of the Bretton Woods agreements no less important to American business—that of establishing a world in which international trade and international investment can be carried on by businessmen on business principles.

You can't do business in an environment of disorderly currencies. Carl Wynne, president of the Chicago Exporters Club, told the House Committee that arbitrary exchange practices make it difficult to import or export without taking risks that are too big for the ordinary businessman.

As you know, during the 1930's a number of countries began to use their currency systems for the purpose of securing unfair advantages in international trade. Germany in particular, developed numerous devices for exploiting her creditors and competitors. The use of these tricks by Germany forced other countries to adopt similar measures in self-defense. The result was an era of currency warfare that virtually destroyed international trade and investment and prepared the way for total war.

American businessmen have demonstrated that they are more than willing to take their chances in fair competition with the businessmen of any country. All they ask is an opportunity to sell a better product at a better price. But they can't trade if the marks or the pesetas they collect for their automobiles and their movies are arbitrarily changed in value, or cannot be sold for dollars.

That's what happened to many American companies when they sold goods to Germany. They could either take blocked marks or some commodity that Germany was willing to offer in payment. The American commercial attaché in Berlin reported that one company had to take 8,000,000 mouth organs in payment for petroleum, another 200,000 canaries for a large press for making automobile bodies, and a movie company was bamboozled into taking a live hippopotamus for its films.

This was only one of the many currency tricks widely used in the 1930's. Germany had more than 35 different kinds of marks, some selling at discounts up to 50 percent. She had about 40 bilateral clearing agreements under which exports to Germany were paid for only if the country took German imports. This country couldn't and wouldn't do business on that basis.

I should add that this country was the principal victim of these unfair currency practices. Between 1928 and 1938 the value of our exports fell by nearly one-half while world trade fell by one-third. We know a country cannot always keep the same export markets. But we believe that changes in trade among countries should result from productive efficiency, not from exchange restrictions.

With such currency practices as these, international trade and investment can no longer be conducted along business lines. They become a matter of international politics, and they may become an international racket.

One might suppose that when Nazism is destroyed, its strong-arm currency practices will be destroyed, too. But this will not necessarily happen. Many countries had to adopt similar measures in self-defense. They still have them. And now, as these countries look on their shelled, bombed and pillaged lands, as they contemplate the difficulties of reconstruction, there is real danger that they may be tempted to continue and to extend these practices.

If we do nothing to help establish orderly exchanges, to help these countries get foreign capital for reconstruction, they will feel compelled to revert to barter

deals, clearing agreements, competitive exchange depreciation and multiple currencies. And these devices will be used with greater ingenuity and with greater effectiveness than ever before.

Rebuilding and restoring the devastated countries, as I see it, is primarily a job for their domestic industries. Certain basic essentials, however, will have to be imported. These include transportation equipment and industrial and agricultural machinery. If private investors abroad will not lend the necessary capital on reasonable terms, countries will be forced to seek help in other ways. Foreign loans might then be arranged on a political basis. This could only mean the rule of power politics in international economic relations.

I repeat, the businessmen of this country do not want to do business that way. The extension of these tactics must mean in the end the domination of international trade and investment by governments. This country has the greatest interest in seeing that international trade and investment are determined by economic and not by political considerations.

We in the Treasury have been aware of these dangers. In 1941, we began to work on post-war currency and investment problems. We prepared a tentative proposal for a world fund to set fair currency rules and to help countries abide by these rules. We also prepared a tentative proposal for a world bank to encourage private investors to make sound and productive foreign loans, the risks to be shared by all countries.

Our discussions showed that other countries were convinced that our proposals offered a practical basis for the solution of common monetary and financial problems. That conviction explains the cooperative spirit at the Bretton Woods Conference. All the 44 countries were determined to protect their own interests—the United States no less than others—yet all were aware that their own well-being depends on international cooperation. On some points, national differences had to be reconciled; and I may add that Senator Wagner and Senator Tobey, both delegates to the Conference, rendered conspicuous service in this delicate task.

Personally, I take pride in the fact that in spite of all the obstacles and pitfalls, we did get an agreement on the basis of the proposals submitted by this Government. We had to compromise—of course we did—that is the democratic way. But it's one thing to compromise on details, on procedures; and it is quite another to compromise on fundamental principles. That is where we drew the line.

One aspect of the Bretton Woods agreements deserves special emphasis, their relation to peace. Peace is more than a political problem. It is a complicated structure that can be built only upon the solid foundation of economic order and prosperity in all countries. Peace and prosperity are two sides of the same problem. We can't neglect one without endangering the other.

We all know how horrible war can be, and we are all determined to do everything possible to prevent these horrors from happening again. But you and I know that if peace is to endure, there must be jobs, there must be hope of economic betterment. Otherwise, men fall easy victim to the rabble-rouser, to the quack with a dangerous nostrum.

It is much the same with nations as with men. In either case, scuffling, pushing and shoving soon lead to blows. And when blows are struck in a crowd, there is likely to be work for the police riot squad.

There was no riot squad on duty to prevent World War II. There were no rules of the game to prevent pushing and shoving; and the economic scuffling of the 1930's developed the gangsters who finally discarded their economic black-jacks and brass knuckles in favor of the tanks and bombs that bathed Europe, and most of the world, in blood.

International monetary and financial problems have been a source of conflict for a generation. We must see that after this war they do not become the basis for new conflicts. That will be possible if international trade and investment are put on a business rather than a political basis. In my opinion, the Bretton Woods proposals give us the opportunity to decide whether international trade and investment will be carried on through private enterprise on the basis of fair currency rules or through governments on the basis of bilateral agreements.

International cooperation is a continuing and difficult task. But we are making progress. The over-all job of building a world security organization is being worked out at San Francisco. Despite the obstacles to final agreement, the Conference nevertheless moves on. It will succeed because the people of all countries insist that it must succeed.

The fact that at Bretton Woods we were able to get representatives of 44 nations to agree on proposals for a monetary and financial program is evidence



that with care, patience and understanding, we can get agreement on all international problems.

The people of this country have shown that they are eager to have our Government take the leadership in dealing with international economic and political problems. There is no difference of opinion among Americans, no partisan division in Congress on this policy. Action by this Committee approving the Bretton Woods agreements will be an inspiration to war-weary and hungry people everywhere, to people who have faith that the United Nations can and will work together to bring about a better world.

### Exhibit 39

*An act to provide for the participation of the United States in the international monetary fund and the International Bank for Reconstruction and Development*

[Public Law 171, 79th Cong. H. R. 3314]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SHORT TITLE

SECTION 1. This Act may be cited as the "Bretton Woods Agreements Act."

#### ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Monetary Fund (hereinafter referred to as the "Fund"), and in the International Bank for Reconstruction and Development (hereinafter referred to as the "Bank"), provided for by the Articles of Agreement of the Fund and the Articles of Agreement of the Bank as set forth in the Final Act of the United Nations Monetary and Financial Conference dated July 22, 1944, and deposited in the archives of the Department of State.

#### APPOINTMENT OF GOVERNORS, EXECUTIVE DIRECTORS, AND ALTERNATES

SEC. 3. (a) The President, by and with the advice and consent of the Senate, shall appoint a governor of the Fund who shall also serve as a governor of the Bank, and an executive director of the Fund and an executive director of the Bank. The executive directors so appointed shall also serve as provisional executive directors of the Fund and the Bank for the purposes of the respective Articles of Agreement. The term of office for the governor of the Fund and of the Bank shall be five years. The term of office for the executive directors shall be two years, but the executive directors shall remain in office until their successors have been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the Fund who shall also serve as alternate for the governor of the Bank. The President, by and with the advice and consent of the Senate, shall appoint an alternate for each of the executive directors. The alternate for each executive director shall be appointed from among individuals recommended to the President by the executive director. The terms of office for alternates for the governor and the executive directors shall be the same as the terms specified in subsection (a) for the governor and executive directors.

(c) No person shall be entitled to receive any salary or other compensation from the United States for services as a governor, executive director, or alternate.

#### NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce,



the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of Trustees of the Export-Import Bank of Washington.

(b) (1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this Act) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the Articles of Agreement of the Fund, without prior approval of the Council.

(5) The Council from time to time, but not less frequently than every six months, shall transmit to the President and to the Congress a report with respect to the participation of the United States in the Fund and the Bank.

(6) The Council shall also transmit to the President and to the Congress special reports on the operations and policies of the Fund and the Bank, as provided in this paragraph. The first report shall be made not later than two years after the establishment of the Fund and the Bank, and a report shall be made every two years after the making of the first report. Each such report shall cover and include: The extent to which the Fund and the Bank have achieved the purposes for which they were established; the extent to which the operations and policies of the Fund and the Bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the Fund and the Bank have been coordinated, and the Council's recommendations in connection therewith; recommendations on whether the resources of the Fund and the Bank should be increased or decreased; recommendations as to how the Fund and the Bank may be made more effective; recommendations on any other necessary or desirable changes in the Articles of Agreement of the Fund and of the Bank or in this Act; and an over-all appraisal of the extent to which the operations and policies of the Fund and the Bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of this Act or the purposes for which the Council is created.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

#### CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) request or consent to any change in the quota of the United States under article III, section 2, of the Articles of Agreement of the Fund; (b) propose or agree to any change in the par value of the United States dollar under article IV, section 5, or article XX, section 4, of the Articles of Agreement of the Fund, or approve any general change in par

values under article IV, section 7; (c) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Bank; (d) accept any amendment under article XVII of the Articles of Agreement of the Fund or article VIII of the Articles of Agreement of the Bank; (e) make any loan to the Fund or the Bank. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for an increase of capital stock of the Bank under article II, section 2, of the Articles of Agreement of the Bank.

#### DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Fund or the Bank shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

#### PAYMENT OF SUBSCRIPTIONS

SEC. 7. (a) Subsection (c) of section 10 of the Gold Reserve Act of 1934, as amended (U. S. C., title 31, sec. 822a), is amended to read as follows:

"(c) The Secretary of the Treasury is directed to use \$1,800,000,000 of the fund established in this section to pay part of the subscription of the United States to the International Monetary Fund; and any repayment thereof shall be covered into the Treasury as a miscellaneous receipt."

(b) The Secretary of the Treasury is authorized to pay the balance of \$950,000,000 of the subscription of the United States to the Fund not provided for in subsection (a) and to pay the subscription of the United States to the Bank from time to time when payments are required to be made to the Bank. For the purpose of making these payments, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$4,125,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the Fund or the Bank and repayments thereof shall be treated as public-debt transactions of the United States.

(c) For the purpose of keeping to a minimum the cost to the United States of participation in the Fund and the Bank, the Secretary of the Treasury, after paying the subscription of the United States to the Fund, and any part of the subscription of the United States to the Bank required to be made under article II, section 7 (i), of the Articles of Agreement of the Bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliver such notes to the Fund and the Bank in exchange for dollars to the extent permitted by the respective Articles of Agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include the purposes for which special notes are authorized and directed to be issued under this subsection, but such notes shall bear no interest, shall be nonnegotiable, and shall be payable on demand of the Fund or the Bank, as the case may be. The face amount of special notes issued to the Fund under the authority of this subsection and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the Fund, and the face amount of such notes issued to the Bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the Bank under article II, section 7 (i), of the Articles of Agreement of the Bank.

(d) Any payment made to the United States by the Fund or the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

#### OBTAINING AND FURNISHING INFORMATION

SEC. 8. (a) Whenever a request is made by the Fund to the United States as a member to furnish data under article VIII, section 5, of the Articles of Agreement of the Fund, the President may, through any agency he may designate, require any person to furnish such information as the President may determine to be essential to comply with such request. In making such determination the President shall seek to collect the information only in such detail as is necessary to comply with the request of the Fund. No information so acquired shall be furnished to the Fund in such detail that the affairs of any person are disclosed.

(b) In the event any person refuses to furnish such information when requested to do so, the President, through any designated governmental agency, may by subpoena require such person to appear and testify or to appear and produce records and other documents, or both. In case of contumacy by, or refusal to obey a subpoena served upon any such person, the district court for any district in which such person is found or resides or transacts business, upon application by the President or any governmental agency designated by him, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records and documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) It shall be unlawful for any officer or employee of the Government, or for any advisor or consultant to the Government, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use any such information for his personal benefit. Whoever violates any of the provisions of this subsection shall, upon conviction, be fined not more than \$5,000, or imprisoned for not more than five years or both.

(d) The term "person" as used in this section means an individual, partnership, corporation or association.

#### FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS IN DEFAULT

SEC. 9. The Act entitled "An Act to prohibit financial transactions with any foreign government in default on its obligations to the United States", approved April 13, 1934 (U. S. C., title 31, sec. 804a), is amended by adding at the end thereof a new section to read as follows:

"SEC. 3. While any foreign government is a member both of the International Monetary Fund and of the International Bank for Reconstruction and Development, this Act shall not apply to the sale or purchase of bonds, securities, or other obligations of such government or any political subdivision thereof or of any organization or association acting for or on behalf of such government or political subdivision, or to the making of any loan to such government, political subdivision, organization, or association."

#### JURISDICTION AND VENUE OF ACTIONS

SEC. 10. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the Fund or the Bank in accordance with the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the Fund or the Bank, as the case may be, shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which either the Fund or the Bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When either the Fund or the Bank is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

#### STATUS, IMMUNITIES AND PRIVILEGES

SEC. 11. The provisions of article IX, sections 2 to 9, both inclusive, and the first sentence of article VIII, section 2 (b), of the Articles of Agreement of the Fund, and the provisions of article VI, section 5 (i), and article VII, sections 2 to 9, both inclusive, of the Articles of Agreement of the Bank, shall have full force and effect in the United States and its Territories and possessions upon acceptance of membership by the United States in, and the establishment of, the Fund and the Bank, respectively.

#### STABILIZATION LOANS BY THE BANK

SEC. 12. The governor and executive director of the Bank appointed by the United States are hereby directed to obtain promptly an official interpretation by the Bank as to its authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans. If the Bank does not interpret its powers to include the making or guaranteeing of such loans, the governor of the Bank representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of explicitly authorizing the Bank, after consultation with the Fund, to make or guarantee such loans. The President



is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

#### STABILIZATION OPERATIONS BY THE FUND

SEC. 13. (a) The governor and executive director of the Fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the Fund as to whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions, and whether it has authority to use its resources to provide facilities for relief, reconstruction, or armaments, or to meet a large or sustained outflow of capital on the part of any member.

(b) If the interpretation by the Fund answers in the affirmative any of the questions stated in subsection (a), the governor of the Fund representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of expressly negating such interpretation. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

#### FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

SEC. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

Approved July 31, 1945.

#### Exhibit 40

*An act to amend sections 11 (c) and 16 of the Federal Reserve Act, as amended, and for other purposes*

[Public Law 84, 79th Cong., S. 510]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 25 per centum against its deposits and reserves in gold certificates of not less than 25 per centum against its Federal Reserve notes in actual circulation: *Provided, however,* That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking therefrom "40 per centum reserve hereinbefore required" and by inserting in lieu thereof "25 per centum reserve hereinbefore required to be maintained against Federal Reserve notes in actual circulation."

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding thirty days, and from time to time to renew such suspension for periods not exceeding fifteen days, any reserve requirements specified in this Act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this Act may be permitted to fall below the level hereinafter specified: *And provided further,* That



when the reserve held against Federal Reserve notes falls below 25 per centum, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 per centum per annum upon such deficiency until the reserves fall to 20 per centum, and when said reserve falls below 20 per centum, a tax at the rate increasingly of not less than  $1\frac{1}{2}$  per centum per annum upon each  $2\frac{1}{2}$  per centum or fraction thereof that such reserve falls below 20 per centum. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

SEC. 2. The second paragraph of section 16 of the Federal Reserve Act, as amended, is amended to read as follows:

"Any Federal Reserve bank may make application to the local Federal Reserve agent for such amount of the Federal Reserve notes hereinbefore provided for as it may require. Such application shall be accompanied with a tender to the local Federal Reserve agent of collateral in amount equal to the sum of the Federal Reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of section 13 of this Act, or bills of exchange endorsed by a member bank of any Federal Reserve district and purchased under the provisions of section 14 of this Act, or bankers' acceptances purchased under the provisions of said section 14, or gold certificates, or direct obligations of the United States. In no event shall such collateral security be less than the amount of Federal Reserve notes applied for. The Federal Reserve agent shall each day notify the Board of Governors of the Federal Reserve System of all issues and withdrawals of Federal Reserve notes to and by the Federal Reserve bank to which he is accredited. The said Board of Governors of the Federal Reserve System may at any time call upon a Federal Reserve bank for additional security to protect the Federal Reserve notes issued to it."

SEC. 3. All power and authority with respect to the issuance of circulating notes, known as Federal Reserve bank notes, pursuant to the sixth paragraph of section 18 of the Federal Reserve Act, as amended by section 401 of the Act approved March 9, 1933 (48 Stat. 1, 6), shall cease and terminate on the date of enactment of this Act.

SEC. 4. All power and authority of the President and the Secretary of the Treasury under section 43 (b) (1) of the Act approved May 12, 1933 (48 Stat. 31, 52), with respect to the issuance of United States notes, shall cease and terminate on the date of enactment of this Act.

Approved June 12, 1945.

#### Exhibit 41

*Joint statement by the Treasury and War Departments, September 13, 1944, relative to the Belgian currency made available to the allied military forces in Belgium*

Notes of the Banque Nationale de Belgique have been made available by the Belgian Government to the Supreme Commander, Allied Expeditionary Forces, for the use of the allied liberation forces in Belgium. These arrangements were completed some time ago between officials of the United States and the British Governments and representatives of the Belgian Government in London in anticipation of the operations of the allied forces now progressing within Belgium. The notes consist in part of currency taken to London from Belgium in 1940 and in part of currency recently printed in London by the Belgian Government. In addition, the Belgian Government has similarly made available prewar Belgian coins, and a new series of 2 franc coins minted for it by the United States Mint.

The rates of exchange which have been established for Belgium are 43.773 Belgian francs to \$1 and 176.625 Belgian francs to £1. These rates were selected by the Belgian Government in London. Complete records are being kept and a detailed accounting procedure has been set up in connection with the use of the Belgian currency by the allied military forces. These records will be used in the future in reaching intergovernmental settlements for allied expenditures in Belgium.

Arrangements have been made whereby United States military personnel may remit all or any portion of their pay which they receive in Belgian francs to the United States against payment here in dollars. United States soldiers leaving Belgium may exchange franc currency held by them for dollar currency. When United States forces obtain Belgian francs for military expenditures, the relevant

Army appropriation will be charged for the dollar equivalent thereof. In this manner the control of Congress over the expenditures of the United States Army is maintained.

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#### Exhibit 42

*Joint statement by the Treasury and War Departments, September 16, 1944, relative to the Belgian currency made available to the allied military forces in Luxembourg*

Belgian franc currency and coins have been made available to the Supreme Commander, Allied Expeditionary Forces, for the use of the allied liberation forces in Luxembourg, under arrangements completed some time ago between officials of the United States and the British Governments and representatives of the Luxembourg and Belgian Governments in London in anticipation of the operations of the allied forces now progressing within Luxembourg. The currency and coin are the same as are being used by the allied forces in Belgium. Before the war, Belgian currency was used in every-day transactions in Luxembourg, and was freely interchangeable with Luxembourg currency.

The rates of exchange selected by the Belgian Government for use in Belgium, 43.773 Belgian francs to \$1 and 176.625 Belgian francs to £1, have been made applicable in Luxembourg at the instance of the Luxembourg Government. Complete records are being kept and a detailed accounting procedure has been set up in connection with the use of the Belgian currency in Luxembourg by the allied military forces. These records will be used in the future in reaching intergovernmental settlements for allied expenditures in Luxembourg.

Arrangements have been made whereby United States military personnel may remit all or any portion of their pay which they receive in Belgian francs to the United States against payment here in dollars. United States soldiers leaving Luxembourg may exchange Belgian franc currency held by them for dollar currency. When United States forces obtain Belgian francs for military expenditures, the relevant Army appropriation will be charged for the dollar equivalent thereof. In this manner the control of Congress over the expenditures of the United States Army is maintained.

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#### Exhibit 43

*Joint statement by the Treasury and War Departments, September 16, 1944, relative to the Netherlands currency made available to the allied military forces in the Netherlands*

Netherlands currency and coin have been made available by the Netherlands Government to the Supreme Commander, Allied Expeditionary Forces, for the use of the allied liberation forces in the Netherlands. These arrangements were completed some time ago between officials of the United States and the British Governments and representatives of the Netherlands Government in London in anticipation of the operations of the allied forces now progressing within the Netherlands. The currency and coin supplied by the Netherlands Government include currency recently printed in the United States and new series of 1-guilder, 25-cent, and 10-cent coins minted for the Netherlands Government by the United States Mint.

The rates of exchange which have been established for the Netherlands are 2.64957 guilders to \$1 and 10.691 guilders to £1. These rates were selected by the Netherlands Government in London. Complete records are being kept and a detailed accounting procedure has been set up in connection with the use of the guilder currency by the allied military forces. These records will be used in the future in reaching inter-governmental settlements for allied expenditures in the Netherlands.

Arrangements have been made whereby United States military personnel may remit all or any portion of their pay which they receive in guilders to the United States against payment here in dollars. United States soldiers leaving the Netherlands may exchange guilder currency held by them for dollar currency. When United States forces obtain guilders for military expenditures, the relevant Army appropriation will be charged for the dollar equivalent thereof. In this manner the control of Congress over the expenditures of the United States Army is maintained.

**Exhibit 44**

*Press release, October 3, 1944, of the Treasury and War Departments, relative to the allied military marks used in German territory*

Military forces under General Eisenhower are using allied military marks in German territory. Allied military marks circulate at par with reichsmarks. No general rate of exchange between the allied military mark or reichsmark and the dollar has been established. For purposes of computing the pay of troops, however, a provisional basis of 10 marks to the dollar is being used.

The Union of Soviet Socialist Republics has been kept fully informed concerning this action.

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**Exhibit 45**

*Statement of the Treasury Department, March 14, 1945, on invasion currency*

The wide geographical scope of military operations in this war and the great development of techniques of economic warfare have made money an important offensive and defensive weapon of war. Providing this weapon in its most efficient form has required careful and detailed planning far in advance of military operations. Just as we need many varieties of military weapons, of ships and of planes, so we have found that the effective conduct of war on the financial side requires a variety of currency measures designed to meet varied and changeable situations. This memorandum explains some of the principal currency measures which have been carried out during this war.

**1. KEEPING DOLLARS FROM THE AXIS**

Even before we entered the war, this Government, through the Foreign Funds Control of the Treasury Department, took steps to prevent the Axis from using American currency which it looted when it overran the countries of Western Europe and other territories. If we had taken no protective measures, the Germans would have been enabled to use freely the dollars they looted in Holland, in Belgium, in France, and elsewhere, to buy critical war materials in the United States or in other markets, to finance propaganda and espionage, and for a host of other activities constituting an important part of the Axis total war. The strength of the dollar and its universal acceptability throughout the world made it of particular importance that we take steps to prevent use of this currency by the Axis. What we did in substance was to say that no one would be permitted to import dollars into the United States unless he could prove that the dollars were not looted by the Axis. We could not stop trading in dollars in foreign countries entirely, but we did serve notice on anyone who bought the dollar bill anywhere in the world that before he or anyone to whom he might pass the dollar note could bring it into the United States and use it for purchases here, he would have to prove that the dollar did not pass through Axis hands. These measures went a long way in accomplishing their purpose. The Axis realized far less from the dollars they stole than otherwise.

When the Japanese descended upon the Philippines, we were able to take even more effective measures. While the Japanese were still marching toward Manila, we invited people to deposit all dollar and Philippine peso currency they had with the American authorities, against receipt. Careful records were made of the currency so received, and the records are in Washington today. When the defense of the Philippines became hopeless, we burned the currency to make sure that the Japanese would not get it.

After the attack on Pearl Harbor, Hawaii became a danger spot in our defenses, and we could not be blind to the possibility that the Japanese might attempt to invade the Islands, as, indeed, they evidently intended to do when we stopped them at Midway. As a defensive measure, we introduced the Hawaiian dollar, which is simply regular United States currency with the word "Hawaii" overprinted in large letters. We exchanged all regular dollar currency in Hawaii for Hawaiian dollars, and we were then ready for the Japanese from the point of view of money. Had the Japanese conquered Hawaii, the distinctive Hawaiian currency would have made it possible to take appropriate measures to prevent the enemy from using this currency to any advantage. In 1943 and early 1944, the Hawaiian dollar was put to further use in the occupation of certain Japanese-held islands in the Pacific, for the convenience of our naval personnel, since they



operated out of Pearl Harbor. More recently, since our successes in the Pacific have removed all danger of an invasion of Hawaii, we have discontinued issuing Hawaiian dollars and are gradually withdrawing these dollars from circulation by replacing them with regular currency as they are turned in to banks.

## 2. UNITED STATES MILITARY DISBURSEMENTS IN THE UNITED KINGDOM

Large American forces have been in Great Britain at all times since the early days of our participation in the war. These men had to be paid, and the Army and Navy had to make incidental expenditures for their maintenance and for other military purposes not covered by reverse lend-lease. The British Government did not want American dollars paid to our troops, and thus put into circulation on a large scale in Britain. British exchange control laws forbid the circulation of foreign currencies, and the use of American dollars for troop pay and other purposes would have broken down the British domestic and foreign exchange controls. Moreover, dollar payments would have been inconvenient for the men as well, since everything they might want to spend the money for was priced in terms of British currency. For these reasons, it was obviously undesirable to pay our men in dollars. In the United Kingdom we followed the usual practice, and the one that we followed in the last war; we bought British pounds from Britain and paid for them in American dollars. Then the British money was disbursed as net troop pay in Britain and for other purposes. No special problems arose because Britain was not an invaded country, the government was functioning normally, and banking facilities were readily available for this kind of exchange transaction.

It must be pointed out that in Great Britain as well as in all other parts of the world, whatever the currency arrangement may be, the soldier gets local currency only to the extent that he wants cash for local expenditures. Much the greater part of the soldier's pay is not drawn in cash at all. It is allotted to dependents of the soldier, it goes to pay premiums on insurance policies, it is sent to people in the United States in the form of personal remittances, it is deposited through Army facilities in American banks, and it is used to purchase war bonds. All of these transactions are carried out wholly in dollars. It is only the minor percentage of pay which the soldier wants in cash for expenditures in the foreign country which is paid to him in foreign currency. If at any time a soldier finds that he has not spent all the foreign currency he drew, he can exchange what he has left, through Army facilities, for dollars to be sent to the United States as a remittance or for saving.

The same pattern has been followed in other lands, not occupied by the enemy, where our troops have gone in the course of the war. Thus, in Australia, Brazil, Canada, India, Iran, Iceland, and other far-flung places where our troops have gone to man the supply lines, we buy the local currency we need for dollars in the traditional manner.

## 3. INVASION CURRENCY

When we prepared to invade enemy countries, and countries occupied by the enemy, we could not plan to use the procedure followed in Britain and other countries which have not been battlefields of the war. From the outside, we could not know with certainty what we would encounter in enemy-held territory. In Tunisia, the Germans flooded the territory with French francs, paid out with a lavish hand, in the hope of setting loose an uncontrollable inflation, as they did so much more thoroughly in Greece. In Sicily, the Germans ordered the banks to burn Italian currency before our forces arrived. We had to be ready to meet both these tactics, as well as others which have been used against us. We needed to assure our troops of necessary currency, without depending on local banks (because we might find banks destroyed, or unusable because their management's loyalty was questionable), without knowing whether civilian government would be in condition to permit normal business transactions, and without the opportunity (in the case of enemy and French territory) of making arrangements in advance with a recognized government. We had to anticipate the possibility that we would be required to provide currency for civilian needs, before local self-government could be reestablished in liberated areas. Our assault forces would precede even a recognized government. We might find that the mayor of the first town liberated needed money urgently to keep his police force on the job, to hire laborers to clear the streets, or for a host of other work needed in the immediate wake of battle. Our supply officers needed an acceptable currency so they might purchase quickly and readily supplies and



services which the Army might require of local civilians. It is obviously easier to hire a crew of laborers to unload ships if we pay them in cash at the end of each day, rather than give them receipts and tell them to submit their claims for future collection.

In our first invasion operation, North Africa, we used yellow seal dollars. Yellow seal dollars, like Hawaiian dollars, are regular American currency, with a distinguishing mark to permit segregation if the situation so requires. We simply substituted yellow ink for blue in printing the seal on regular silver certificates of the United States. We did not know whether we would be welcomed as allies or resisted as invaders; we could not be certain that we would not incur reverses. The yellow seal gave us the opportunity to segregate the currency if we should be driven from North Africa. The yellow seal also gave us the opportunity to distinguish this currency from regular United States currency which we found in circulation in North Africa on our arrival there. In administering our controls designed to keep the Axis from realizing on looted dollars, we were able to permit the yellow seal currency to be imported into the United States with less necessity of control than regular currency, which might have been looted by our enemies.

We stopped issuing yellow seal dollars in North Africa within a few months after our arrival there, and have succeeded in withdrawing almost all from circulation. When we planned to change over to the use of regular North African banknotes, we found that the French in North Africa had neither the paper, ink, nor printing facilities to supply the demand for local currency. Thus the French currency finally put to use in place of the yellow seal dollar was actually printed by a private firm in the United States, for the North African issuing banks. If General Eisenhower's invading forces had not carried a supply of currency, there would have been an actual physical shortage of money for the circulation required in North Africa. The new North African currency made possible a prompt currency conversion by the French authorities after the Nazis were expelled from Tunisia, thus stemming the inflation the Germans tried to create.

In planning for the invasion of Italy, we had another important consideration in mind. We did not want to pay our men in dollar currency, and thus turn dollar claims against the United States into general circulation in an enemy country. After the last war, our Army of occupation made gross disbursements of almost \$300,000,000 in Germany, most of it by cashing dollar checks for marks at German banks, and by paying out actual dollars to our troops. These dollars were never recovered. We filed a claim for our net costs of occupation, and we have been no more successful in collecting than have the European reparation claimants against Germany. By using an invasion currency assimilated to the currency of the occupied territory, we can keep the dollars pending final settlement rather than give them to the enemy.

In the first few weeks of the Sicilian operation, we used yellow seal dollars, as in North Africa. While preparations were under way for months in advance to use the allied military lira, we did not want to print the word "Italy" or the word "lire" until the world knew where the allied armies would strike. We discontinued issuing yellow seal dollars in Sicily within a short time, and, as in North Africa, have since succeeded in withdrawing the bulk of this currency from circulation.

The AM lira, which has been used ever since in Italy, is not a currency of the United States in any sense. It is an Italian currency, originally declared legal tender in Italy by the occupying allied armies acting as the military government of occupied Italy. Under settled international law, the military governor of occupied enemy territory can make laws for the territory, with the full governmental authority. Thus, the Supreme Court of the United States has said:

"The right of one belligerent to occupy and govern the territory of the enemy while in its military possession, is one of the incidents of war, and flows directly from the right to conquer. We, therefore, do not look to the Constitution or political institutions of the conqueror, for authority to establish a government for the territory of the enemy in his possession, during its military occupation, nor for the rules by which the powers of such governments are regulated and limited. Such authority and such rules are derived directly from the laws of war, as established by the usage of the world, and confirmed by the writings of publicists and decisions of courts—in fine from the law of nations. \* \* \* The municipal laws of a conquered territory, or the laws which regulate private rights, continue in force during military occupation, except so far as they are suspended or changed by the acts of the conqueror. \* \* \* He, nevertheless, has all the powers of a de facto government, and can at his pleasure either change the existing laws or make new ones." *Dooley v. United States*, 182 U. S. 222 (1901).

The military governor declared AM lira to be legal tender in Italy, and thereby made the currency equivalent to and assimilated with the previously issued regular Italian lira. AM lira contains no promise of redemption on the part of the allied forces, and the currency has in every way been made part of the currency issue of Italy. The Italian Government made the AM lira legal tender as one of its first official acts after its arrival in liberated territory in September 1943.

The allied military lira, while printed in the United States, was not issued by the United States. It was issued by the allied military commander of the Mediterranean theater, acting for the armies under his command, British and American, with contingents of other countries. The printing could just as well have been done in Brazil or India; we did it here because we had the printing facilities.

Our preparations for D-day, for the invasion of Western Europe, were simpler in two respects. First, we had legally recognized governments-in-exile with which we could deal, in the case of Belgium, the Netherlands and Luxembourg. Second, plans for an invasion of Western Europe were publicly announced, and the currencies for all of the occupied Western European countries were produced simultaneously.

The allied forces landed on the Normandy beaches with "supplemental francs." This currency was printed in the United States, because printing facilities were available here, in agreement with the British Government and after consultation with the French Committee of National Liberation. Subsequently, the French Committee, which was successively recognized as the de facto authority in France and as the Provisional Government of the French Republic, assumed responsibility for the issue of all the supplemental francs used since D-day. Our arrangements with the French authorities thus are the same as the arrangements with Belgium, the Netherlands and Luxembourg, made before D-day.

The Belgian Government in London had prepared a new issue of Belgian currency which was printed at its order in England. The Belgians were asked to advance to General Eisenhower as much of this new Belgian money as might be needed by the liberating armies. We undertook to pay the Belgian Government in dollars for any expenditures made by the American forces for net troop pay or for certain other strictly military purposes not covered by reverse lend-lease. Any advances made toward the conduct of normal civilian affairs in Belgium would be for the account of the Belgian Government, and we would not be expected to reimburse the Belgians.

Netherlands currency was printed privately in Canada at the order of the Netherlands Government-in-Exile, and similarly was supplied to General Eisenhower. The new Luxembourg currency was printed both in Britain and in the United States.

The availability of a new currency for each of these liberated countries provided a necessary monetary instrument, necessary both for the military forces of liberation and for the government of the liberated country. Thus, the Belgian Government, after its reestablishment in Brussels, called in all old high denomination Belgian currency circulating, and made the new notes the only legal tender. This was done as part of a financial program designed to reduce the inflated currency circulation imposed on the Belgians by the Germans and to help stabilize the Belgian economy.

In the Pacific theater, we followed the same procedure in our arrangements with the Dutch Government for military operations in the Netherlands Indies. The forces of General MacArthur and Admiral Nimitz were armed with Netherlands Indies guilders prepared upon the order of and issued by the Netherlands Government, supplied to General MacArthur and Admiral Nimitz and paid for in dollars to the extent that they were used for net troop pay and other strictly military expenditures not covered by reverse lend-lease.

United States Army and Navy forces in the Philippines are using a new "Victory series" of Philippine currency and a new 1944 series of Philippine coins prepared in anticipation of our return. The currency, as in prewar days, was produced by the United States Bureau of Engraving and Printing, and the coins were manufactured by the United States Mint, at the request of the Philippine Commonwealth Government. As in prewar days, every 2 pesos of the new Philippine Treasury certificates is backed by 1 United States dollar on deposit in the United States, and in addition the Commonwealth maintains an exchange stabilization fund amounting to between 15 and 25 percent of the currency in circulation.

In each of the allied countries, the invasion currency used was not in any sense a currency of the United States. It was provided by the local government of the liberated country itself, and such government or its central bank is solely responsible for the redemption of the currency. We pay in United States dollars for

the foreign currency we use for net troop pay and certain other strictly military expenditures not covered by reverse lend-lease. The moment any such disbursements are made by Army finance officers, Washington is notified and the dollar amount is taken from the Army appropriation and set up in a special account in the Treasury. A similar procedure is followed with Navy expenditures. Thus, congressional control over the size of Army and Navy appropriations is strictly maintained, Generals Eisenhower and MacArthur and Admiral Nimitz are supplied with ample local currency of the country in which they are operating and the allied government is paid later when the accounts are balanced up.

As the picture changed in Italy, and Italy became a cobelligerent in our war against Germany, the AM lira demonstrated its usefulness. It was decided to make available to the Italian Government, for vital rehabilitation, the dollar equivalent of net American troop pay disbursements made in AM lira, thus following, in part, the pattern of our arrangements with our allies. This action, taken in such a way as not to prejudice any ultimate financial settlement with Italy, is helping Italy today to share in the struggle to liberate Northern Italy.

The allied military mark has now been introduced in occupied areas of Germany by the allied armies. It is being issued under the same conditions as provided the basis for the original issuance of AM lire.

#### 4. WHO WILL REDEEM THESE CURRENCIES?

When invasion currencies were first put to use by the allied forces the question was frequently raised, "Who will redeem these currencies?" Writers in various popular periodicals, as well as financial journals, speculated from time to time as to whether the United States did or did not intend to redeem invasion currencies, or whether some other government or agency did or did not intend to do so.

All of this speculation about whether or not the United States will "redeem" such currencies arises from a fundamental misconception of their nature. The United States Government did not issue any of this invasion currency (except, of course, yellow seal and Hawaiian dollars, which, as pointed out above, are in every respect United States money), and therefore is under no obligation to "redeem" such currencies. No promise of redemption was ever made. No invasion currency carries any legend suggesting redemption by the United States. In fact the words "United States" do not appear on any of the invasion currencies at all. These currencies serve the same purpose of providing local means of payment as is served by the British sterling used to pay our troops in Britain and our obligation of redemption no more exists in the former case than in the latter.

Every local currency used by the allied forces is issued by the authority of the lawful government of the country in which the currency is disbursed. Belgian, French, and Dutch currencies used by our troops are issued by the lawful Belgian, French, and Dutch Governments, just as the British pounds we use are issued by the British Government. AM lire and AM marks are issued by the lawful governments of the portions of Italy and Germany occupied by the allied forces; under international law the military commander of these areas is the lawful government. Due to the destruction of Italian facilities, it has been necessary for the Allied Financial Agency to continue to make available AM lire, which has been made legal tender by the Italian Government in territory controlled by it, both for the needs of the Italian Government and the allied forces.

Thus, it is perfectly clear that the United States has not obligated itself in any way to "redeem" any invasion currency issued in a foreign land, and we have no "secret understandings" that we will ever do so.

We have arranged to pay the allied governments dollars equivalent to the net amount of invasion currency disbursed to our troops as pay and allowances in these foreign lands, as we pay dollars to the British when we buy sterling with which to meet our Army and Navy pay rolls in the United Kingdom. Similarly, other strictly military expenditures originally effected in invasion currency in these allied countries are also compensated in dollars to the allied country whose currency we use, if they do not come within the scope of reverse lend-lease.

The local currency which is paid to our troops in foreign territories is furnished to the military forces by the governmental authority concerned. When the United States forces obtain a foreign currency for military expenditures, the relevant military appropriation is charged for the dollar equivalent thereof in the United States. In this manner the control of Congress over the expenditures of the United States military forces is maintained. The amounts of the dollar equivalent of the net troop pay and other strictly military expenditures not covered by reverse lend-lease which have been certified to the Treasury by the War and



Navy Departments are paid to the allied government concerned. In the case of Italy, we held the money in a suspense account until recently, when it was decided, in view of Italy's status as a cobelligerent, to make the net troop pay dollars available to the Italian Government for the purchase of necessary rehabilitation supplies in the United States, as pointed out above.

When our troops are paid in new Belgian francs supplied by the Belgian Government, they are getting the lawful currency of Belgium. Similarly, when they are paid in AM lire, they are getting a currency which is a lawful currency of Italy.

It is the same in each of the countries into which our armies have moved. Invasion currency is not something separate and apart from the currency of the country. It becomes, immediately upon issue, part of the currency of the country in which it is issued. We use the currency system we find for the needs of our troops, because that is the quickest and most efficient way of providing our armies with the money they need for carrying on their operations.

Our allies have followed similar procedures in providing currency for their military forces in foreign lands. The British used a British military authority note, denominated in pounds in their early operations in Africa; again, side by side with our yellow seal dollar, in North Africa and in the early weeks of the Sicilian operations; and, only a few months ago, in the operations in Greece. The British joined us in the use of AM lire in Italy. British arrangements with the Western European countries for currency are much the same as ours. Canada is being supplied with francs and guilders in the same way. The Russian forces introduced a military lei in their invasion of Rumania, and are today using the same AM mark in eastern Germany as we are using on the Western Front. We have planned with our allies for the use of money as well as for the use of other weapons of war.

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#### Exhibit 46

*Announcement by the Treasury Department, October 21, 1944, of the revocation of the Hawaiian currency and securities regulations*

The Treasury Department today announced the revocation of the Hawaiian currency and securities regulations. This action brought to an end the financial "scorched earth" program in Hawaii.

The special Hawaiian regulations which were revoked today were designed to prevent the enemy from making effective use of the financial resources of the Islands in the event of a successful invasion. Under these regulations, the ordinary United States currency was withdrawn from circulation and a new series with a distinctive brown seal and the word "Hawaii" overprinted was issued. Securities were required to be perforated with the letter "H." Thus, in the event the Islands were occupied, it would have been difficult for the enemy to have realized any gain from the easily identifiable currency and securities which were not destroyed.

The action taken today was in line with the Treasury policy of relaxing wartime controls as soon as conditions permit. With the danger of invasion definitely removed, the precautionary measures prescribed by the regulations are no longer necessary and hereafter unperforated securities and ordinary United States currency may be marketed and circulated in Hawaii. It was emphasized, however, that the revocation of these regulations will not affect the validity of perforated securities and the special currency issued under the "scorched earth" program.

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#### Exhibit 47

*Joint statement of the Treasury, War, Navy, and Interior Departments, November 16, 1944, announcing new series of Philippine currency and coins*

United States Army and Navy forces in the Philippines are using a new "Victory Series" of Philippine currency and a new 1944 series of Philippine coins prepared in anticipation of the military operations now in progress. The currency, as in prewar days, was produced by the United States Bureau of Engraving and Printing, and the coins were manufactured by the United States Mint, at the request of the Philippine Commonwealth Government.

The new series of notes bears the signature of the Philippine President, Sergio Osmena, who took office as President on August 1, 1944, upon the death of President Manuel L. Quezon. Plans of the Commonwealth Government for supplying



the currency requirements of the armed forces were perfected in consultation with the Treasury and other interested United States departments.

The new series of currency consists of Philippine Treasury certificates in the denominations of 1, 2, 5, 10, and 20 pesos, of the same basic design as the Treasury certificates in use before the Japanese invasion, with the new designation "Victory Series No. 66" on the face of the notes. The seal of the Commonwealth and the serial numbers, previously printed in red, now appear in blue. On the reverse of each note the word "Victory" is printed over the design in large open-faced black letters.

The new 1944 coins consist of 50, 20, and 10 centavo silver pieces of the same composition as the prewar Philippine coins. In the 5 centavo coin, an alloy commonly referred to as "nickel silver alloy" has been substituted for the prewar "cupro-nickel alloy," and the new 1 centavo piece is made of an alloy consisting of 95 percent copper and 5 percent zinc, in place of the prewar alloy of 95 percent copper, 4 percent zinc, and 1 percent tin, to conserve metals in short supply.

At the time of the Japanese invasion, the design of the reverse side of all Philippine coins was being changed from the seal of the United States to the seal of the Philippines, in preparation for independence. The new coins supplied to the armed forces all carry the Commonwealth seal on the reverse side. Otherwise the designs are the same as those used in 1941.

The prewar exchange rate, 2 pesos to \$1, is being resumed by the liberating forces. Most of the currency reserves of the Philippine Commonwealth and other balances of the Philippine Treasury were on deposit in the United States at the time of the Japanese invasion and were therefore protected against Japanese looting.

As in prewar days, every 2 pesos of the new Philippine treasury certificates is backed by 1 United States dollar on deposit in the United States, and in addition the Commonwealth maintains an exchange stabilization fund amounting to between 15 and 25 percent of the currency in circulation to protect the value of the peso against exchange fluctuations.

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#### Exhibit 48

*Press release, January 22, 1945, relative to the transfer to China of \$210 million in settlement for advances of local currency, supplies, etc., to the United States forces in China*

The United States Treasury Department has just completed transfer to the Republic of China of \$210,000,000 in settlement for advances of local currency and for supplies, services, and military construction furnished the United States forces in China.

This excludes certain aid furnished to the United States by the Chinese Government in the form of reciprocal aid.

A portion of the settlement came from United States funds already in China, a portion from funds previously placed to China's credit in the United States and the remainder in the form of a check for approximately \$150,000,000 which Secretary Morgenthau gave to Dr. H. H. Kung here.

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#### Exhibit 49

*Press release, January 30, 1945, relative to the activities of the United States Mint in the production of foreign coins and of medals for the United States armed services*

"Made in the U. S. A." might well be inscribed on coins that today jingle in the pockets or money bags of representatives of most of the races of mankind, from Greenland to the Fiji Islands; and from Ethiopia to Australia.

Secretary Morgenthau today revealed for the first time in detail the wartime contribution of the United States Mint to monetary systems of more than a score of friendly nations, a tremendous manufacturing job piled on top of record-breaking domestic coinage, and met despite acute manpower and equipment shortages.

These countries found themselves faced with sharply expanding needs for coins, just as has been the case in the United States, due to presence of large numbers of allied troops, or broadening production of vital materials or to other military factors. The war had destroyed or shut off virtually all the facilities they previously had utilized, and the governments turned to the United States.

. Mrs. Nellie Tayloe Ross, Director of the Mint, reported to Mr. Morgenthau that the three manufacturing institutions turned out, at cost, nearly 800,000,000 coins for these friendly countries during 1944, in addition to nearly 3 billion domestic coins, the largest output in the 152 years of Mint existence. Some of these orders executed for foreign governments during 1944 are of historic significance.

Franc coins were struck at the Philadelphia Mint from melted-down shell cases, produced after consultation with officials of what at the time was termed the French Committee of Liberation and is now the Provisional Government of France.

For liberated Ethiopia, the experts of the United States Mint drew designs, made the dies, and cast the coins for a new monetary system. The five coins, four of copper and one of silver, bear on the obverse or face the likeness of the Emperor Haile Selassie, who refused to bow to Benito Mussolini. \* \* \* The reverse sides of the coins bear the Conquering Lion of Judah.

For Greenland, the Mint produced copper kroners bearing the traditional polar bear of predecessor Danish coins.

To Saudi Arabia went silver riyals with a design of mysterious, intricate tracings.

Coins were made for the Philippines, significant of freedom rapidly being restored.

The United States has executed coinage orders for foreign governments since authorized by Congress in 1874, but it has been during the last 5 years that this business has reached large proportions. The minting of pesos, centavos, florins, riyals, francs, and many other foreign coins of various alloys, all of which must conform to the coinage laws of their respective countries, has become every-day business to the skilled artisans of the Mint. A list of countries for which the United States has made coins during the past 5 years, as a part of a good neighbor policy, reads like a lesson in geography. Included are Australia, Belgian Congo, Belgium, Bolivia, Cuba, Curacao, Dominican Republic, Ecuador, El Salvador, Ethiopia, Fiji Islands, France, Greenland, Guatemala, Indo-China, Liberia, Netherlands and her island possessions, Nicaragua, Peru, Philippine Islands, Saudi Arabia, and Surinam.

Such orders are executed by the Mints at cost. In most instances the countries supply or purchase the necessary metals, but silver has been furnished on a lend-lease basis, for return after the war, in a few cases.

Mrs. Ross said the consumption of metals by the Mints exceeded 15,000 tons for the year, or a rate of more than 42 tons a day on the average.

She placed the face value of United States coins minted in 1944 at \$121,000,000. The comparable figure for 1943 was \$136,000,000, when more coins of larger denominations were struck.

One Mint statistician figured that the 2,844,000,000 domestic coins struck in 1944 would, if laid edge to edge, span the continent from New York to San Francisco 10 times, with enough left for 2 strings between Chicago and San Antonio, a total of 34,400 miles. In 1943, 2,036,000,000 coins were produced.

The seemingly insatiable demand of American business for pennies continues to exert most pressure on Mint facilities, with 2,149,000,000 likenesses of Mr. Lincoln, back in the traditional copperish setting, coming from the stamping machines in 1944. The emergency zinc-coated steel penny was discontinued at the close of 1943.

Still another Mint activity is the production of medals for the Navy, Marine Corps, Coast Guard, and many for the Army. Included are the Distinguished Service Cross, the Purple Heart, the Distinguished Flying Cross, the Congressional Medal of Honor, and many others, with accompanying ribbons and bars. Requirements of the armed service required a manufacturing job of substantial proportions in 1944.

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### Exhibit 50

*Joint statement by the Treasury, War, and Navy Departments, June 8, 1945, relative to the supplemental military currency used in Okinawa and other islands*

The Treasury, War, and Navy Departments today issued the following joint statement:

United States Army and Navy forces are using a supplemental military currency denominated in yen in the invasion of Okinawa and other islands of the Ryukyu group.

This military yen currency has been issued in seven denominations, namely, 10 and 50 sen and 1, 5, 10, 20, and 100 yen. There are 100 sen to the yen. The notes in denominations of 10 sen, 50 sen, and 1 yen are one-half the size of the United States dollar currency. The 5 yen and 10 yen denominations are somewhat larger than the sen notes, and 20 yen and 100 yen notes are the size of the United States dollar note.

The notes bear on their face the words "Military Currency" in English and in Japanese and on the reverse side the legend "Issued Pursuant to Military Proclamation" in both languages.

Military yen will supplement the local currency; not replace it. This supplemental military yen, other legal tender local currency and notes of the Bank of Taiwan and of the Bank of Chosen are interchangeable within the area without distinction at one for one. However, Japanese military yen scrip is not, of course, accepted by United States forces. Supplemental military yen currency notes were produced in the United States for the military commander who in the areas occupied by the forces under his command has all the powers necessary for carrying out governmental functions, including the right to establish and maintain an adequate and effective circulating medium. This is in accordance with International Law, the Hague Conventions, and decisions of the Supreme Court of the United States.

No general rate of exchange between the yen and the dollar has been established. For pay of troops and military accounting purposes, however, a provisional basis of 1 yen to 10 cents is being used. This provisional rate was determined in the light of prevailing conditions in the Ryukyu Islands and does not prejudice the determination of the rate for other Japanese areas yet to be invaded.

Arrangements have been made whereby United States military and naval personnel may remit in dollars to the United States at the above rate all or any portion of their pay which they received in yen. United States soldiers and sailors leaving the area may exchange yen currency held by them for dollar currency. When United States forces use yen for military expenditures, the relevant Army and Navy appropriations will be charged for the dollar equivalent thereof. In this manner the control of the Congress over the expenditures of the United States forces is maintained.

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## REPORT TO CONGRESS BY SECRETARY MORGENTHAU

### Exhibit 51

#### *Summary report of Secretary Morgenthau to the Congress*

TREASURY DEPARTMENT,  
Washington, D. C., July 21, 1945.

SIRS: I have the honor to make the following report.

Normally, issuance of the annual report on the finances of the Federal Government is delayed several months following the end of the fiscal year which it covers, in order to include comprehensive statistical material requiring much time for compilation.

However, since I am about to retire as Secretary of the Treasury, and since the more important data dealing with the operations of the Treasury Department are already available, it seems fitting that I should give an accounting of the last fiscal year under my stewardship. Actually, most operations of the Department are not rigidly partitioned into fiscal years, but are affected by developing conditions and policies. Therefore, this accounting deals broadly with the period since January 1934, the date on which I assumed the Secretaryship. And since we should utilize whatever light the past and present can throw toward the future, I am noting certain matters in which further action seems desirable.

The following report is submitted in the expectation that my successor as Secretary of the Treasury will present, at a later date, the additional statistics which ordinarily are included in an annual report, together with such comment, analyses and recommendations as he may desire to submit.

### TAXATION

Treasury tax policy in the past twelve years has been guided by the rapidly changing needs of the Nation in depression, recovery, defense, and war. The important repercussions of taxes throughout our social and economic structure make it vital that our tax policy and our tax system be responsive to social and



economic change. While holding firm to certain basic tax objectives—fairness in distribution of tax burdens, ease of administration and taxpayer compliance, and active support of the Nation's economic policies—the Treasury has continually sought to adapt the tax system to fit the needs of the times. These same considerations apply to the revision of the tax system that will be necessary to adapt it to post-war conditions.

#### PRE-WAR TAX POLICY, 1934-1940

Appearing before the Ways and Means Committee in 1939, I said that "When we consider any specific change in our fiscal program we must satisfy ourselves that the change makes for a better and not a worse distribution of tax burdens and of national income, that the change promotes and does not retard business recovery, and that the change makes easier and not more difficult progress toward the establishment of a balanced relationship between revenues and expenditures." These tests, combined with the ever present goals of reducing complexity and improving administration, guided the successive recommendations which I submitted, in accordance with the late President Roosevelt's fiscal program, to strengthen the tax system of the 'thirties.

Through a combination of tax increases and a rising national income, the total yield of internal revenue taxes grew from \$2,672 million in the fiscal year 1934 to \$5,340 million in the fiscal year 1940. Testifying before the Ways and Means Committee in 1935, I said that "The Treasury's first concern is with the adequacy of the national revenue," but that "it would, of course, be unwise to impose tax burdens which would retard recovery." It was recognized then, as it is now, that "There are times of emergency when the Treasury must finance expenditures in excess of income by borrowings which increase the public debt." To have balanced the budget at a time when millions were unemployed would have required sharply heavier taxes curtailing further the already inadequate buying power of consumers and dulling the incentives of businessmen.

We turned out attention, therefore, to strengthening the tax system in those areas where justice and equity could be served by closing tax loopholes and making the tax system more progressive. In an address in October 1936, I summarized our efforts of the first three years, noting that "it would have been popular among certain groups of our population to have raised additional revenues by new excise and sales taxes—taxes that would have fallen most heavily on those least able to pay." Instead, "First, we borrowed to meet the emergency" and then we provided "taxes based upon the democratic principle of ability to pay—primarily income and estate taxes. Through the Revenue Acts of 1934, 1935 and 1936, we lowered the effective rates of taxation on small individual incomes and on small corporation incomes, but we raised and made more fully effective the rates of income tax on those best able to pay them."

The revenue acts of the middle 'thirties also strengthened the estate and gift taxes by broadening the base and increasing the rates of those taxes. Little reliance was placed on new excises, other than liquor taxes, although we reluctantly approved the retention of certain manufacturers' excises which I had hoped might be dropped.

During the past twelve years I have again and again directed attention to devices which taxpayers use to escape their fair share of taxes, thereby undermining the productivity and impairing the equity of the tax system. I stated before the Joint Committee on Tax Evasion and Avoidance in June 1937:

"The problem of closing loopholes in tax laws is continuing and ever present. It is never settled by any particular legislation. Tax administration today requires a succession of laws to prevent the use of ingenious devices which distort the original purpose of the act and which create what to the average man seems unethical and unwarranted avoidance of taxes."

Tax loopholes do more than confer unfair tax benefits on some at the expense of others. They distort normal business relationships and act as a drag on the economy. For example, as I noted in appearing before the Ways and Means Committee in 1939, tax exemption of governmental securities "operates as a magnet which pulls persons subject to high income taxes away from investments in private business."

In a series of revenue acts during the 'thirties, many loopholes were closed. The full deduction of capital losses, particularly fictitious losses, from ordinary income was curbed by the Revenue Act of 1934. The 1936 act employed the undistributed profits tax to cut down the avoidance of individual incomes taxes through the retention and accumulation of corporate profits. The 1937 act, which grew for the most part out of Treasury investigations and recommendations, was designed principally to stop abuse and avoidance of the income tax through



trusts, family transactions, and personal holding companies, both domestic and foreign.

From time to time I have recommended to the Congress that it remove certain other loopholes from the law. For example, in March 1934 and several times since, I have strongly recommended that the statutory exemption of the interest on Government securities from Federal income taxes be eliminated. The Congress in 1941 eliminated the tax exemption of future issues of Federal securities, but the exemption of State and municipal securities continues. Moreover, the overly generous depletion allowances on oil, gas, and mineral properties constitute a loophole which I have repeatedly recommended be closed, but which still remains in the law. I have also urged, without success, elimination of the special income tax benefits conferred upon residents of community-property States. I sincerely hope that the Congress will devote its attention to these loopholes in its post-war revision of the tax system.

The impact of tax changes on business expansion was a major consideration in our tax program of the 'thirties. For example, in submitting the proposal for an undistributed profits tax to the Congress in 1936, the Treasury aimed not merely at preventing tax avoidance but also at eliminating the double taxation of distributed corporate income and at preventing the accumulation of idle corporate funds. Moreover, in 1939 I suggested to the Ways and Means Committee that the absence of a carry-over of net business losses discriminated against businesses with fluctuating earnings. It was also noted that such "tax irritants" as the capital stock tax and the declared value excess profits tax had adverse psychological effects on business.

Finally, certain over-all problems of public finance occupied our attention. I have long been concerned over the lack of coordination of Federal, State, and local tax systems. At the direction of President Roosevelt, the Treasury conducted a preliminary study of overlapping taxes early in my term as Secretary. In 1939, I suggested "that Congress create a small temporary national commission to report to Congress as soon as feasible on the various aspects of intergovernmental fiscal policy and propose a plan for the solution of the problems involved." When Congress took no action, I appointed in 1941 a three-man Committee on Intergovernmental Fiscal Relations, which intensively studied this problem and reported its conclusions and recommendations to me in 1942. Action in the field of overlapping and conflicting taxes should be an integral part of our post-war tax program.

Also in 1939, I suggested a method of coordinating our fiscal policy on the Federal level, stating to the Ways and Means Committee that, while a balanced budget is "a fundamental objective of sound finance, . . . there are periods during which sound fiscal policy calls for an excess of outgo over income, and others when it calls for an excess of income over outgo." It was suggested that a simpler and more effective fiscal policy would result if the Ways and Means and Appropriations Committees of the House and the Finance and Appropriations Committees of the Senate "could meet each session as one Joint Committee on Fiscal Policy, to consider the over-all aspects of the expenditure and revenue programs . . . ." Some integration of this type at the Federal level is still a basic need.

#### WARTIME TAX POLICY, 1940 TO DATE

The year 1940 marked a sharp turning point in Federal tax policy. In a series of revenue acts beginning in that year, the peacetime tax system was geared to meet the demands, first, of a large-scale defense program and, then, of a total war effort. The magnitude of the job that was done becomes apparent when we see the fiscal year 1940 internal revenue collections of \$5.3 billion multiplied eight times to \$43.8 billion in 1945 under the combined impact of unprecedented tax increases and a great expansion in the national income. In contrast with World War I, when less than one-third of our expenditures was financed from taxes and other nonborrowing sources, we have in this war financed 41 percent of our total expenditures since July 1, 1940, from such sources, and reached a peak of 46 percent in the fiscal year 1945.

The Federal tax structure has undergone far-reaching changes in the five years since 1940. An excess profits tax was added to the tax system in that year and now applies at a gross rate of 95 percent and a net rate of 85½ percent. The corporation standard income tax rate was increased from 19 percent to 40 percent. Individual income tax exemptions were repeatedly cut; for example, surtax exemptions for a married couple with two children fell from \$3,300 to \$2,000. Combined normal and surtax rates applicable to the lowest surtax bracket rose from 18 percent to 23 percent. The former top rate of 79 percent, reached at \$5 million, was

pushed to 94 percent, reached at \$200,000 (subject to a 90 percent limit on the total effective rate). The tax on distilled spirits was increased from \$2.25 to \$9 per proof gallon, the tax on cigarettes from 6 cents to 7 cents per package of twenty. Hardly a tax, however small, escaped the impact of wartime increases.

These levels of tax rates, together with a level of tax revenue approximating close to one-half of our current expenditures, have been reached, not at one stroke, but in successive stages which have avoided shock to the economic system. They have been reached without sacrificing standards of equity and justice in taxation. The test of taxation according to ability to pay has in general been met through reliance on progressive taxes, through special relief provisions to avoid hardship, and through continued efforts to close avenues of escape from just taxation. Our concern for taxpayer welfare has had as its objective not only a fair distribution of tax burdens but also greater taxpayer convenience in the budgeting and payment of taxes. Through the introduction of withholding and the drastic simplification of individual tax returns, the compliance burden of the mass of taxpayers has been greatly eased.

With the advent of the war the functions of the tax system have broadened. It has been the instrument of raising huge amounts of revenue; but, more than that, it has played a major role in restricting war profiteering and curbing inflation. Taxes have effectively supported the economic stabilization program by removing billions of dollars of excess spending power from the hands of civilians. These high taxes have made civilian demand more controllable and have eased the strain imposed on the direct controls relating to priorities, wages, and prices. Taxes on excessive war profits combined with high taxes on large individual incomes have limited the financial gains from war and have thereby helped gain acceptance of the various direct controls necessary in war times. Tax policy has thus been an integral part of our wartime economic policy designed to promote the maximum war effort while protecting minimum living standards.

In submitting tax proposals to the Congress to meet the gigantic revenue needs of war, the Treasury has consistently stressed "the need of holding fast to the basic principle of our tax system, namely, that taxes should be fair and nondiscriminatory and imposed in accordance with ability to pay." This principle, as I said in 1942 in discussing the Treasury tax program before the Ways and Means Committee, demands "that special privileges in our tax laws should be removed" and "that taxes which cannot be adjusted to differences in income or family responsibilities, such as general sales taxes, should be avoided."

It was pointed out further that fairness in wartime taxation demands "that undue profits should be recaptured wherever they occur. Unreasonable profits are not necessary in order to obtain maximum production with economical business management. The country will not tolerate the retention of undue profits at a time like this, when millions are pledging their very lives to save and perpetuate our freedom." In accord with this principle, the Treasury worked for the adoption of an excess profits tax in 1940, and recommended changes in credits and rates to strengthen it in 1941 and 1942. The high excess profits taxes combined with standard corporation income taxes have been an important influence in curbing war profiteering. Together with high individual surtax rates and provisions for contract renegotiation they have been a significant factor in eliminating wartime inequality and in gaining acceptance for other parts of the Government's stabilization program.

Another vital nonrevenue objective of wartime taxes, which has been given due weight in each of our Treasury tax programs during the defense and war periods, is that of preventing inflation. In 1941, I stated to the Senate Finance Committee that "increased taxation is needed also to maintain economic stability," and that the combination of "increased demand and restricted output is causing inflationary price rises which threaten to increase the cost of the defense program, unbalance family budgets, and seriously disturb our economic life." I stated further that "if, in an attempt to protect the incomes of our people, we hold down taxes and as a result the cost of living rises, we shall have taxed them just as fully as if we had levied on them directly—and we shall still have the inflated costs of defense to pay later from taxes." Again in 1942 and 1943, I directed attention to the anti-inflation aspects of taxation, suggesting to the Ways and Means Committee in 1942 "that the new revenue act must help to check inflation for nothing in the economic field can interfere with the war effort as much as an uncontrolled rise in prices," and that inflation "is a source of grave social injustice" and "undermines morale and impedes war production."

To make taxation an effective instrument in the fight against inflation requires heavy taxes levied on a broad base. Accordingly, the Treasury recommended



successive reductions in individual income tax exemptions and increases in income tax rates. Many of the selective excise tax increases proposed by the Treasury also had anti-inflationary objectives. Consistently, however, I opposed a general sales tax as an inflation preventive on the grounds that it would aggravate rather than curb inflation. My recommendation in 1942 that the Congress enact instead a progressive spendings tax directed squarely at the inflation problem was rejected.

In pursuing our other objectives of wartime tax policy, at no time did we lose sight of the principle that funds had to be raised in ways which would not hamper economic mobilization and would not interfere with the wartime efficiency of production. In the field of business taxation, Treasury policy has been clear in this respect. For example, at the joint hearings on the Second Revenue Act of 1940 regarding the excess profits tax, I stated "that the present need is for immediate action, so that those businessmen who have hesitated to participate in the national defense program because of tax uncertainties may proceed without further delay." Moreover, at that time, I endorsed the provision for accelerated, five-year amortization of war facilities which gave businessmen assurance that they could speedily write off the investment in such facilities. In 1942, I advised against a confiscatory excess profits tax rate on the basis "that when excess profits taxes are too high, they may result in extravagance and waste in the conduct of business" and thus impede the war effort.

In the realm of individual taxation, I have steadfastly opposed a tax pattern which "encroaches harmfully upon the standard of living." I stressed the importance of setting a floor below which taxes should not go and of removing special privileges enjoyed by certain groups under our tax laws in order to preserve the incentives and working morale of our workers and to protect their wartime health and efficiency.

During the war period, the Treasury proposed new or increased excises on various commodities in order to aid in diverting resources from the production of civilian goods to the production of war goods. This was entirely consistent with Treasury dislike of excise taxes for peacetime financing. Our 1941 program was thus designed, among other things, "to help to mobilize our resources for defense by reducing the amount of money that the public can spend for comparatively less important things."

One of our concerns in wartime taxation has been to provide simple and convenient methods of payment for the many millions of taxpayers who have been drawn into the income tax system. The former method of lump-sum payments lagging a year behind the receipt of the income being taxed was ill-adapted to the greatly broadened wartime income tax. Therefore, the Treasury recommended to the Congress in 1941 and 1942 that a system of withholding be adopted to ease the payment problems of taxpayers. The Congress responded in 1943 by enacting a system of withholding for wages and salaries and current payment of all liabilities. As a result, income tax payment now fits into the budget patterns of the mass of taxpayers, who are no longer faced with the spectre of overhanging tax liabilities for earnings in a prior year.

The need for simplification was recognized in a series of Treasury proposals and congressional acts. Stating that "we ought not to take into the income tax system millions of new taxpayers with small incomes without simplifying the way in which their tax is computed," I proposed and Congress adopted in 1941 a short form of income tax return to simplify income tax mechanics. Despite this innovation, further simplification was needed, especially after the introduction of current payment. Early in 1944, the Treasury worked out cooperatively with the congressional tax committees and the Joint Committee staff a plan to effect a decided simplification of the individual income tax for the great bulk of our taxpayers. This plan was enacted in the Individual Income Tax Act of 1944.

Finally, our wartime tax policy gave full weight to considerations of the post-war financial health of our economy. Again and again I stressed the need of cutting down borrowing by courageous taxation, so that our post-war debt problem would be more manageable and that our returning service men and women would not be burdened with the cost of the war they had fought for us. The provisions for carry-backs and carry-forwards under the corporation income and excess profits taxes will be important in easing the process of reconversion. And a vital aim of our anti-inflationary tax program was to protect us from a legacy of inequities and price distortions after the war.

#### POST-WAR TAX DEVELOPMENTS

Although preliminary work had already begun in the Treasury, formal work on tax adjustments for the transition and post-war period was inaugurated by the

adoption of two resolutions by the Joint Committee on Internal Revenue Taxation on June 15, 1944. In its first resolution the Committee called upon its staff, in collaboration with the Treasury, to make a special study of post-war taxation. In its second resolution it requested the Chairman of the Committee on Finance and the Chairman of the Committee on Ways and Means each to designate a minority member of his committee to work with the Joint Committee in the study of post-war taxation.

In accordance with these resolutions, the Joint Committee on Internal Revenue Taxation for Postwar Taxation was organized, with equal representation for both parties, and the tax staffs of the Committee and the Treasury, including the Bureau of Internal Revenue, undertook a series of joint studies relating to various aspects of the transition and post-war tax problems. In addition to their own studies, the staffs held many off-the-record conferences with representatives of business, labor, agriculture, and other groups, some of which had undertaken their own post-war tax studies.

A number of confidential reports were submitted to and studied by the Joint Committee in meetings held throughout the winter months. Based on these studies, the Committee reached conclusions which were set forth in a report made public at a press conference held by Chairman Doughton, Chairman George and myself on May 10, 1945. This report recommended certain changes in the operation of taxes affecting business for the interim period between the end of the European war and the end of the war with Japan. These changes did not, for the most part, involve any reduction in ultimate tax liabilities. They were designed primarily to facilitate reconversion by improving the cash position of business enterprises and by lightening burdens on smaller businesses.

Specifically, the recommended changes were as follows: (1) Increase the excess profits tax specific exemption from \$10,000 to \$25,000, effective beginning with the tax year 1946; (2) provide that the post-war credit of 10 percent of excess profits tax be taken currently with respect to tax liabilities of 1944 and subsequent years; (3) advance to January 1, 1946, the maturity date of outstanding post-war refund bonds; (4) provide for speed-up of refunds resulting from carry-backs of net operating losses and of unused excess profits credits; and (5) provide for speed-up of refunds resulting from the recomputation of deductions for amortization of emergency facilities.

These recommendations of the Joint Committee were incorporated in a bill introduced in the House of Representatives by Chairman Doughton on June 18, 1945. This legislation has been passed by both Houses of Congress and awaits the approval of the President.

Although the bill meets the more immediate interim problems it does not deal with more fundamental, long-range aspects of post-war taxation. Work on these is being continued by the Joint Committee staff and Treasury staff. Study of post-war taxation is also being carried on by the Interdepartmental Tax Committee which was set up at my suggestion over a year ago.

#### TAX ADMINISTRATION

Throughout the past twelve years I have been intensely interested in raising the standards and improving the efficiency of the administration of our tax laws.

It has been a guiding principle of my administration that every taxpayer should pay the Government all he owes and no more. My instructions to administrators have been to collect that amount without fear or favor, and to protect the taxpayer from over-taxation with as much zeal as the Government is to be protected from under-taxation. I believe that the relations of the administrative staff with the taxpayer have materially improved during my administration.

In addition, I have sought to bring tax administration closer to the taxpayer, to simplify his compliance with the laws and to ease the burden of payment for the large masses of individuals who have been added to the tax rolls as the need for revenue has increased. In my opinion, successful taxation in the future depends in large part on the effectiveness of measures for dealing with our large numbers of taxpayers.

I am taking this opportunity to present a brief résumé of some of the principal features of the expansion in the task of tax collection since 1933 and some of the steps taken to improve the administration of the tax laws.

*The period 1934 to 1940.*—During the pre-war period the activities of the Bureau of Internal Revenue increased rapidly. From fiscal 1934 to fiscal 1940 internal revenue collections rose 100 percent and the number of individual income tax returns increased from 4 million to about 8 million.

The underlying changes in the tax structure adding new taxes and increasing rates gave rise to greatly expanded administrative problems. In particular, it



was necessary to develop changes in organization and procedures to deal with the agricultural adjustment taxes and refunds, the administration of liquor taxes following repeal of the 18th Amendment and the taxes enacted under the social security program.

The processing and related taxes levied in connection with the agricultural adjustment program presented new problems in tax administration. Moreover, after these taxes were declared unconstitutional, difficult technical and economic questions were encountered in making refunds and administering the unjust enrichment tax. This episode in tax administration has been largely completed but the experience gained may well be of interest and application in future tax administration.

At the time of the repeal of the 18th Amendment, illicit liquor operations were exceedingly widespread and frequently conducted on the scale of large business. In view of the serious nature of the situation, I gave a great deal of attention to the development of an effective organization and new techniques in administration to suppress such activities. As a result there was a constant decrease in illicit operations and before the outbreak of the war they had been reduced to a practical minimum for peacetime conditions.

The social security program required the collection of taxes from 2 million employers. Administration of these taxes was rendered difficult because of the necessity of collecting the tax from large numbers of small employers, many of whom had no more than one employee, and also by the necessity of securing reliable records of wages required by the Social Security Board for the administration of benefits.

Improvement of administration in the fields of income, estate and gift taxation occupied a prominent role in the developments of this period. Steps were taken to prevent avoidance and evasion of these taxes, to bring about greater certainty regarding tax liability and to expedite the closing of cases. In 1936 and 1937 extensive investigations were made of tax avoidance devices and the results were presented to the Congress as a basis for the tax avoidance legislation of 1937.

Perhaps the most important development from the point of view of bringing tax administration closer to the taxpayer and expediting the determination of tax liabilities was the decentralization of operations for income, estate and gift taxes. Following certain experimental efforts and studies, a final plan for complete decentralization of the Bureau's settlement function was made effective in 1938 and 1939. Under this plan, the facilities of the Bureau were made available locally in order to permit prompt action on all contested cases at a point near to the taxpayer and to the sources of evidence regarding his transactions. The experience of the ensuing years has, I believe, firmly established the effectiveness of this plan in providing taxpayers a convenient hearing and in minimizing litigation.

*Wartime period.*—The wartime demands for revenue have added enormously to the job of tax administration. Collections in fiscal 1945 were more than eight times the 1940 figure. For the same period the number of all types of tax returns filed increased from less than 20 million to more than 80 million. The expansion of the individual income tax alone has resulted in the filing of about 48 million returns in fiscal 1945 compared with about 8 million in fiscal 1940, and 4 million in fiscal 1934.

The principal problems raised by the wartime revenue measures have been the enormous expansion in the number of individual income taxpayers with the accompanying development of withholding procedures, the wartime excess profits tax with its relief provisions and other related problems, the imposition of many additional excises and increases in rates of most taxes, and finally nontax functions of salary stabilization.

In order to meet the problem of collecting taxes from masses of individual income taxpayers a number of basic changes have been made in collection methods. The first step which I initiated in 1941 was the provision of a simplified return for taxpayers with small incomes from a limited number of sources. Supplement T of the Internal Revenue Code, enacted in 1941, provided for a table of tax liabilities which was incorporated in a simplified Form 1040A for that year and enabled millions of taxpayers to ascertain their liability in a few simple operations. This basic reform has been continued through the present law.

Further steps in simplifying collection of the individual income tax and the development of withholding have been described above in connection with the Current Tax Payment Act of 1943 and the Individual Income Tax Act of 1944. Out of a total of 48 million returns filed by individual taxpayers, about 20 million now file as their returns the withholding receipt (Form W-2) and the collector computes the tax. Another 17 million use the standard deduction and ascertain their tax liability from the simplified tax table on Form 1040.

These measures of simplification have, of course, required the development of new collection and refund procedures in the Bureau and have entailed a large addition to the work of tax administration. I am fully convinced, however, that not only is the additional procedure justified in terms of enhanced tax collections but also that collection procedure of this character is essential to the administration of an individual income tax extended to large numbers of taxpayers.

The excess profits tax enacted in 1940, with its subsequent amendments, has posed many difficult problems. The administration of the relief provisions, the carry-backs and the accounting for the post-war credit have imposed heavy demands on the Bureau staff. These and other wartime provisions have complicated the closing of corporation tax cases and have required the development of many new procedures and additions to the organization. For example, about 16,000 taxpayers have filed claims for relief under the excess profits tax which will engage large numbers of the Bureau's staff for a considerable period of time. The Bureau has also devoted a great deal of time and attention to the examination of deductions for pension trusts and annuity plans.

The conversion of distilleries to the production of industrial alcohol required major administrative changes and reassignment of staff in order to meet wartime requirements.

In addition to the unprecedented job of tax collection imposed upon the Bureau, it has been made responsible for other unrelated wartime activities, including participation in the administration of salary stabilization. Under the stabilization program the Commissioner is given authority over all adjustments to salaries in excess of \$5,000 and salaries of certain employees receiving less than \$5,000. The administration of these functions required the establishment and staffing of a country-wide organization specially for this purpose.

In the last fiscal year investigations of black market activities and unprecedented increases in currency in circulation indicated much more extensive disrespect for the common obligation of supporting the tax laws than I had anticipated. It appears now that many individuals have taken advantage of economic conditions and the heavy burdens that have been laid upon the Bureau of Internal Revenue to avoid their just share in financing the war. We have now underway a comprehensive program designed to uncover these attempts to evade the responsibilities of citizenship.

### BORROWING

The Treasury's borrowing operations during the eight years which ended with the fiscal year 1940 were reviewed in some detail in the annual report for that year. It would seem of interest, however, to review briefly the major objectives of borrowing policy during this period.

#### MAJOR OBJECTIVES OF BORROWING POLICY, 1933-1940

The first major objective of the Treasury in conducting its borrowing operations during the period between the bank holiday and the beginning of the defense program was to restore to the economy the money supply which had been wiped out during the unprecedented deflation of the great depression. This was, of course, necessary if the expenditures of the Federal Government were to have their maximum effect in stimulating and maintaining business activity.

Between the middle of 1933 and the middle of 1940, the gross national product of the United States rose from about \$55 billion to about \$95 billion; while the amount of money in the hands of the individuals and business firms of the country, as measured by the adjusted demand deposits of all banks plus currency outside of banks, rose from about 35 cents per dollar of the gross product in the middle of 1933, to about 41 cents per dollar in the middle of 1940. Expressed in another way, at the beginning of the period, each dollar of money supply had to turn over about three times in order to produce a dollar of gross product; while at the end of the period, the necessary turnover had declined to two and a half times.

The second major objective of the Treasury's borrowing operations during this period was to reduce the rate of interest on United States securities; and, consequently, on high-grade obligations generally. The average rate of interest on the outstanding interest-bearing debt of the United States (including guaranteed securities) fell during this period from 3.35 percent on June 30, 1933, to 2.51 percent on June 30, 1940.

The reduction in the rate of interest which occurred during this period naturally resulted in lightening materially the interest burden on the public debt, compared with what it would have been had rates not fallen. The primary purpose of the Treasury in seeking lower interest rates, however, was the stimulating effect which they have on the economy as a whole by encouraging expenditures for housing, and for plant and equipment in those industries where the return on capital is an important factor in total costs.

The third major objective of the Treasury's borrowing operations during this period was to broaden the base of the public debt by increasing the number of persons holding United States securities. It was for this purpose that United States savings bonds were first introduced in March 1935. Although no reliable estimates are available with respect to the number of separate holders of savings bonds until the war period, this number had already reached substantial proportions by the middle of 1940.

The purpose of this broadening of the base of the public debt was, not that of raising funds—as these were readily available to the Treasury from other sources—but that of increasing the number of persons with a direct financial interest in the affairs of the Government, and so promoting an interest in public affairs generally. The work of familiarizing the public with the nature of savings bonds, nevertheless, laid the foundation for the widespread public participation in the purchase of Government securities during the subsequent period of defense and war finance.

#### DEFENSE AND WAR FINANCE

It is convenient to treat the commencement of the fiscal year 1941, on July 1, 1940, as the beginning of the period of defense and war finance. France and the Low Countries had just fallen before the might of the Nazi war machine, and the conflict had cast that long shadow across the United States, which will not be completely eliminated until victory is finally won in the Pacific. It was clear at that time that—whatever might be the course of events—the industrial machine of the United States would be principally devoted for years to come to the task of preserving our national sovereignty; and that it would be the principal function of finance to serve as the handmaiden of industry in developing the country's full war potential.

Since the objectives of borrowing policy continued substantially the same during the entire periods of defense and war finance, changing only in emphasis and intensity, I shall treat them as a single period for the purposes of this report, carrying the exposition through July 9, 1945, the date when books were finally closed on the Seventh War Loan.

#### THIS HAS BEEN THE MOST COSTLY WAR IN HISTORY

This has been incomparably the most costly war in history. This has been true for most of the countries which have engaged in it, not only in terms of money expenditure, but also in terms of the destruction of property and the loss and maiming of human life. The United States has been more fortunate than most of the belligerents in that it has escaped property damage, and has been able to minimize the cost of the war in human life by training and equipping its armed forces as no other forces have ever been trained and equipped in all history. This has cost money; and the United States has never spared an opportunity to reduce the human cost of the war at the expense of increasing its money cost. This, to me, is the most significant fact in war finance.

The total expenditures of the United States Government for all purposes, from July 1, 1940, the beginning of the period of defense finance, through July 9, 1945, amounted to \$325 billion. This is nine times the total expenditures of the Government from July 1, 1916, the beginning of the fiscal year in which the United States entered World War I, through the end of 1919, when the demobilization from that war was substantially complete. (See chart: This War Nine Times as Costly as Last.)

Ninety-five percent of all the expenditures of the Government since July 1, 1940, have been for national defense and war, or for the related items of interest on the public debt, tax refunds, and veterans. Only five percent were for all other purposes. A corresponding breakdown for the World War I period is not available; but, based upon an examination of the available figures, it appears that expenditures for war and war-related purposes were a smaller proportion of the total at that time than they have been during this war period.

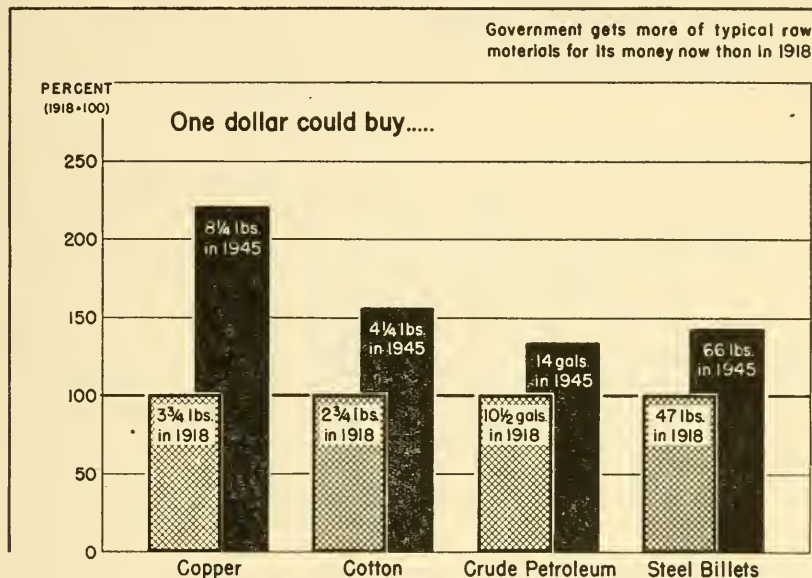






barrel now, sold as high as \$4.00 a barrel in 1918; and steel billets, which cost \$34.00 a ton now, sold as high as \$47.50 a ton in 1918. (See chart: A Dollar Goes Farther in This War.)

## *A Dollar Goes Farther In This War*



### THE WAR IS TAKING ABOUT HALF OF OUR ENTIRE NATIONAL PRODUCT

It is not only true that this war has cost much more in dollars than its predecessor and that each dollar has bought more goods. It is also true that it has taken a much larger proportion of all the dollars and all the goods which we have available. World War I at its peak absorbed about one-quarter of our national product; World War II is absorbing, and has absorbed for three years, about one-half of the product. (See chart: Half Our National Product Goes to War.) This has greatly magnified the problem of war finance. This problem is, of course, that of placing in the hands of the Government, in a fair and equitable manner and without undue strain on the economy, the funds necessary to purchase one-half of the whole national product.

### THE INTEREST-BEARING PUBLIC DEBT HAS INCREASED \$211 BILLION SINCE THE BEGINNING OF THE PERIOD OF DEFENSE FINANCE

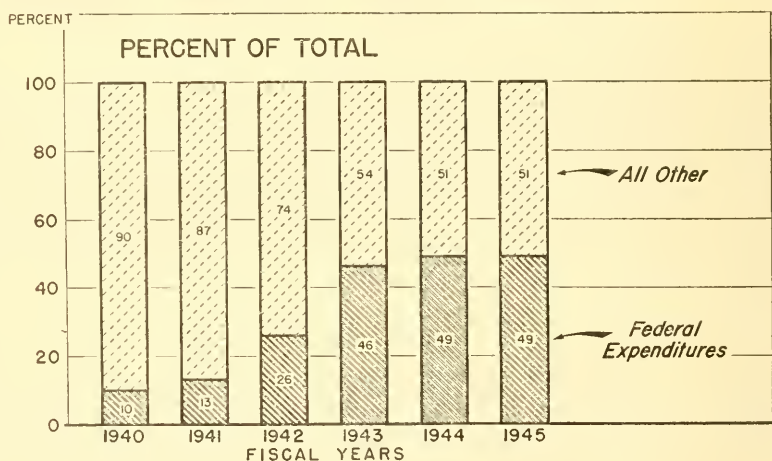
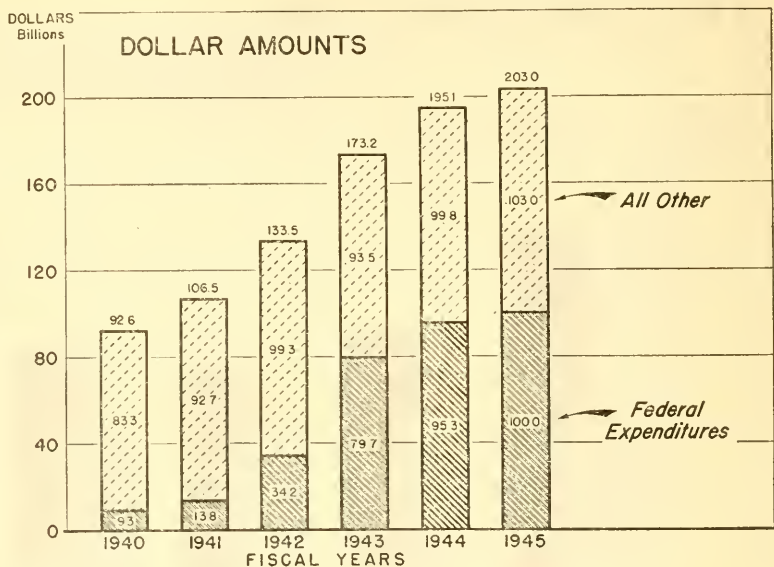
As I have indicated previously in this report, it has been the policy of the Treasury to raise as large a proportion as possible of the expenses of the Government during the wartime period by taxation. During the period from July 1, 1940, through July 9, 1945, the net receipts of the United States Government from taxes and other nonborrowing sources (such as cash refunds resulting from the renegotiation of war contracts) amounted to \$134 billion, or 41 percent of the total expenditures of the Government during the same period. This fell so far short of the funds required to finance the war, however, that during the same period the interest-bearing public debt (including guaranteed obligations) increased by \$211 billion. This borrowing includes \$23 billion increase in the cash balance in the Treasury.

### PRINCIPLES OF WAR BORROWING

In borrowing the sums necessary to finance the war, the Treasury has been guided by three underlying principles: (1) The necessary funds should be raised in such a manner as to minimize the risk of inflation; (2) the securities offered should be those best suited to the needs of the investors to whom they are sold; and (3) the cost of financing the war should be kept as a reasonable level.

## Half Our National Product Goes to War

In the fiscal year 1945 Federal expenditures, mostly for war, were \$100 billion; national product, \$203 billion



### NONINFLATIONARY BORROWING

Diverting half of the country's total product to the use of the Government involves problems so vastly different in degree from those of peacetime finance, that they become different in kind also. Inevitably, the first consideration in raising sums of this magnitude must be to avoid inflation.

The nature of the inflationary pressure inherent in diverting half of the income stream of the country to the Government is simple. It is this: The value of all of the production of the country goes to its producers in the form of wages and salaries, rents, interest, dividends, and profits. But only half of this production consists of goods and services which are available to be purchased by these producers. The remaining half goes to the Government for prosecuting the war.

The problem is to prevent the people from trying to spend all of their incomes on half of the goods—and so merely bid up prices.

To the extent that the Government secures its money by taxes, the problem is relatively simple. The Government receives the money, and the taxpayers merely receive tax receipts. The funds are finally and irrevocably diverted to the purposes of the Government. Nearly half of the Government's expenditures—equal to about one-quarter of the total national product—is being financed in this way. The remainder—equal to another quarter of the product—has to be borrowed; and the Treasury has endeavored in every way at its command to make these borrowing operations, as far as possible, result likewise in the transfer of spending power from the people to the Government.

#### THE WAR LOAN CAMPAIGNS

To accomplish this objective means that a substantial proportion of the total has to be borrowed from investors other than banks.

It was in order to do this that as early as May 1941 the Treasury initiated a campaign to sell Series E, F, and G savings bonds to the American people.

It was in order to do this that immediately after Pearl Harbor the Treasury initiated the payroll savings plan for the sale of savings bonds to wage and salary earners in plants, stores, and offices throughout the country.

It was in order to do this that the Treasury has conducted seven war loan campaigns, the last of which has just ended.

These campaigns have been successful because millions of citizens have banded themselves together in local war finance committees, in order to explain to their friends, neighbors, and coworkers why the Government needs money, and why it needs it from individual income earners. These people—farmers, labor leaders, businessmen, and bankers—have given ungrudgingly of their time; and it is to their efforts, and to the support which they received from their fellow citizens, that the success of our war finance is due.

#### NONBANK INVESTORS HAVE PURCHASED AND HELD \$122 BILLION OF GOVERNMENT SECURITIES

Of the \$211 billion total increase in the interest-bearing public debt during the period from July 1, 1940, through July 9, 1945, about \$122 billion was absorbed by nonbank investors; and about \$89 billion, by commercial and Federal Reserve Banks. "Absorption" means the net increase during the period in the amount of debt held by each investor class. This increase is the net resultant of the purchases, sales, maturities, and redemptions of securities by each investor class during the period. All of the amount "absorbed" by the Federal Reserve Banks was purchased by them on the open market, principally for the purpose of supplying commercial banks with the necessary funds to meet the required reserves on their increased deposits and the demands of the public for currency. The amount of Federal Reserve Bank purchases of Government securities is determined primarily by these needs, rather than by separate decisions of the Federal Reserve authorities—other than the general, and unquestionably wise, decision that these needs must and will be met.

#### A LARGE INCREASE IN THE MONEY SUPPLY OF THE COUNTRY WAS NECESSARY TO PERMIT THE WARTIME EXPANSION IN NATIONAL PRODUCT

The \$89 billion of Government securities absorbed by commercial and Federal Reserve Banks is larger than I would have wished, just as the proportion of our total funds raised by taxes is smaller than I would have wished.

The increase in commercial and Federal Reserve Bank holdings of Government securities is, of course, represented on the other side of the balance sheet by a corresponding increase in currency and bank deposits. The increase in currency and deposits occasioned by the increase in bank holdings of United States securities was supplemented to some extent by an increase in other bank assets. Part of the total increase in currency and deposits, however, took the form of time deposits; and another portion is still in the form of balances held by the Treasury in commercial and Federal Reserve Banks. Giving effect to these and other less important factors, the total increase during the period in the money supply of the country—defined, as previously, as the adjusted demand deposits of all banks plus currency outside of banks—amounted to about \$57 billion.

This increase seems large, just as all the figures associated with World War II seem large; and it is often not realized what a large increase in deposits and cur-

rency has been necessary in order to permit the smooth functioning of the economy during the war period. During this period the national product has doubled, and most individuals and business firms have handled a greater volume of business and have experienced a greater degree of prosperity than they have ever known before.

This larger volume of business has naturally required a larger volume of cash; and, at the same time, both individuals and business firms have striven to build up cash reserves against the varied contingencies of war and peace. In June 1940, the individuals and business firms of the United States had about 41 cents in currency and demand deposits for every dollar of the annual product of the country. At the present time, they have about 46 cents. In other words, a dollar of money supply has to turn over nearly as often now to produce a dollar of national product as it did in 1940. The present proportion is not fully representative of the trend of the period, however, reflecting as it does the transfer of bank deposits from private to Government account, because of the Seventh War Loan. By the end of October, when the expenditure of the proceeds of the Loan will have drawn down the Treasury balance to more normal proportions, the cash holdings of individuals and businesses will have risen to about 51 cents per dollar of the present annual product of the country. I do not consider this amount excessive, and I do not believe that it harbors an inflationary hazard.

#### TREASURY SECURITIES HAVE BEEN TAILORED TO THE NEEDS OF THE PURCHASERS

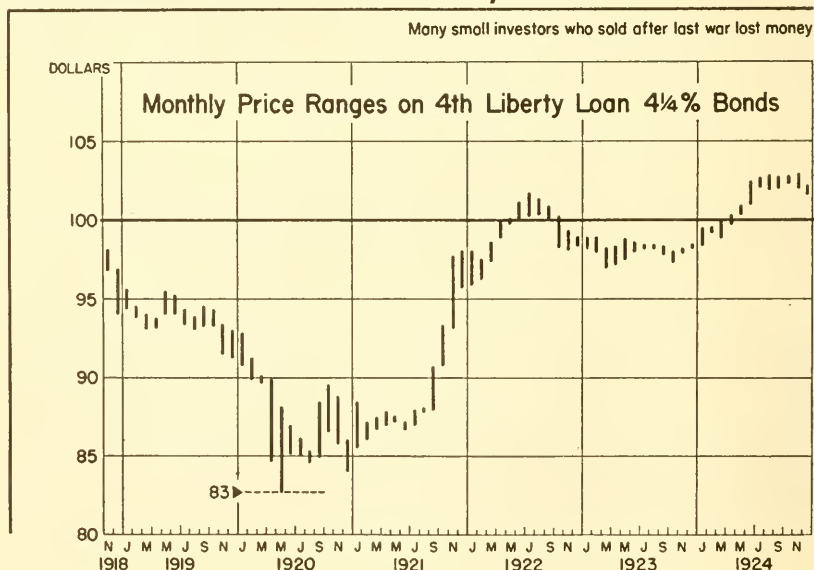
The second major objective of the Treasury in its war borrowing—second only to the objective of avoiding inflation—has been to adapt the securities which it has offered to the public to the requirements of the various classes of investors.

#### THE SMALL INVESTOR HAS BEEN OFFERED A SECURITY ENTIRELY FREE FROM RISK

The most important requirement of the small investor is that the securities which he purchases should be absolutely free from risk. The small investor wants to be sure that he can get back his money when he needs it. He accepts on faith the type of obligation which the Government offers him. He does not want to gamble with his principal.

The Government securities sold to small investors during the last World War were marketable. They were consequently subject to price fluctuation. After the war, the prices of Government bonds fell precipitously. Fourth Liberty bonds, the largest issue, sold below 83 in 1920. (See chart: World War I Securities Not Risk-proof.)

### *World War I Securities Not Risk-proof*





The Government, of course met all of its obligations issued in World War I in full, in accordance with their terms. But many small bondholders who sold during the decline were embittered against the Government. They had bought the bonds at the Government's request, and did not understand—and could not be expected to understand—the “normal risks of the market”.

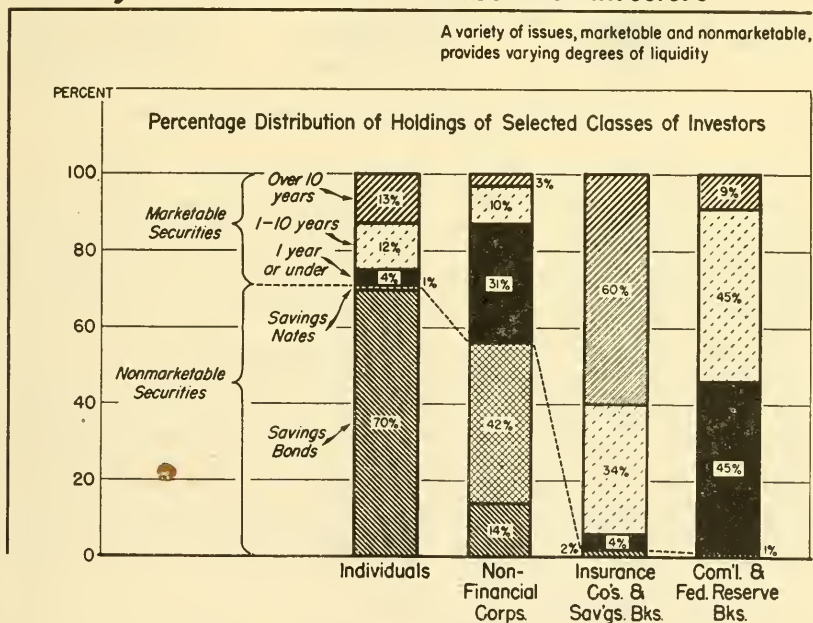
I have said on previous occasions, and I say here again, that I do not anticipate an increase in interest rates (with a consequent decline in bond prices) after this war. But the Treasury felt—and Congress agreed with us—that the small investor is entitled to more than merely the expectation of a stable market after the war. He is entitled to a legal guarantee. This is the reason why our sales appeal to small investors has been confined to savings bonds—which have guaranteed cash redemption values that assure the investor of always getting at least his money back. Between June 30, 1940, and July 9, 1945, \$51 billion was raised by selling these bonds to about 85 million persons. Of this, \$8 billion has been paid out in redemptions; \$43 billion is still outstanding.

Other classes of investors have likewise had securities tailored to their needs.

Savings notes (formerly tax savings notes) have been especially designed as liquid investments for the tax and reconversion reserves of industrial corporations, and have been largely purchased by this class of investor. Short-term marketable Treasury securities are likewise a suitable investment for funds requiring a high degree of liquidity, and are held principally by industrial corporations, and by commercial and Federal Reserve Banks.

Long-term marketable Treasury securities, on the other hand, offer a higher rate of return and are more suitable for insurance companies, savings banks, and large private investors. (See chart: Treasury Securities Tailored to Needs of Investors.)

### *Treasury Securities Tailored to Needs of Investors*



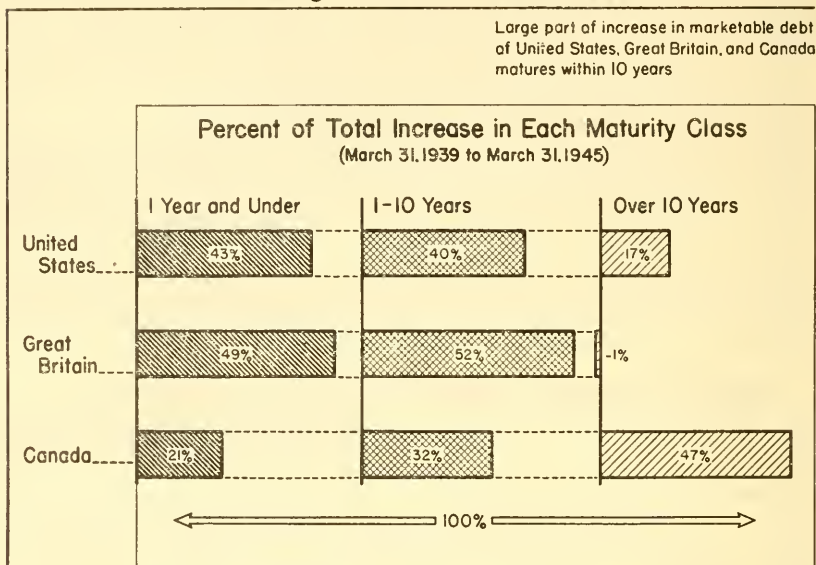
#### WHY A LARGE PORTION OF THE DEBT IS SHORT-TERM

The policy of fitting the security to the needs of the investor makes it inevitable that a large portion of the public debt should consist of short-term securities. This is a good thing for the investor, a good thing for the Government, and a good thing for the economy as a whole. It permits liquid funds to be shifted readily between currency and bank deposits; and permits bank deposits to be shifted readily from one bank to another, and from one section of the country to another, without strain on the money market. It likewise permits corporations and other

businesses to apply their tax reserves to the payment of taxes, and their reconversion reserves to the expenses of reconversion without money market strain.

The policy of financing the war, in large part, by short-term securities has been followed by Great Britain to a greater extent than by the United States; and by Canada to a somewhat smaller extent. In Great Britain the volume of securities with a maturity of over 10 years has actually decreased since 1939. (See chart: Short-term Borrowing General in World War II.)

### *Short-term Borrowing General in World War II*



In arranging the maturity of the public debt, the Treasury has always borne in mind the fact that the time which the original purchaser of a security will hold it will depend, principally, upon his own future needs and convenience, and to a very minor extent upon the nominal maturity of the security. The indiscriminate issuance of long-term securities to all classes of investors would not insure their being held to maturity by their original purchasers, but would result merely in premature market liquidation.

In the case of private debtors, this would make no difference, since the debtors would not be called upon for repayment. The Government, however, comprises such a large segment of the total market, and has such a high degree of responsibility with respect to the remainder, that, so far as Government securities are concerned, market sales are essentially the same thing as cash redemptions. Each puts spendable funds into the hands of the same classes of investors, and each involves the absorption of additional amounts of Government securities by other investor classes—which will ultimately be the same in each case. The only significant difference is that cash redemptions permit the Treasury to issue new securities suited to the classes of investors who will hold them; while market sales must involve already-outstanding securities, which may or may not be so suited.

#### THE WAR HAS BEEN FINANCED AT A LOW AND DECLINING LEVEL OF INTEREST RATES

The final of the three principal objectives of the Treasury in its war borrowing program has been to finance the war at a reasonable level of interest rates.

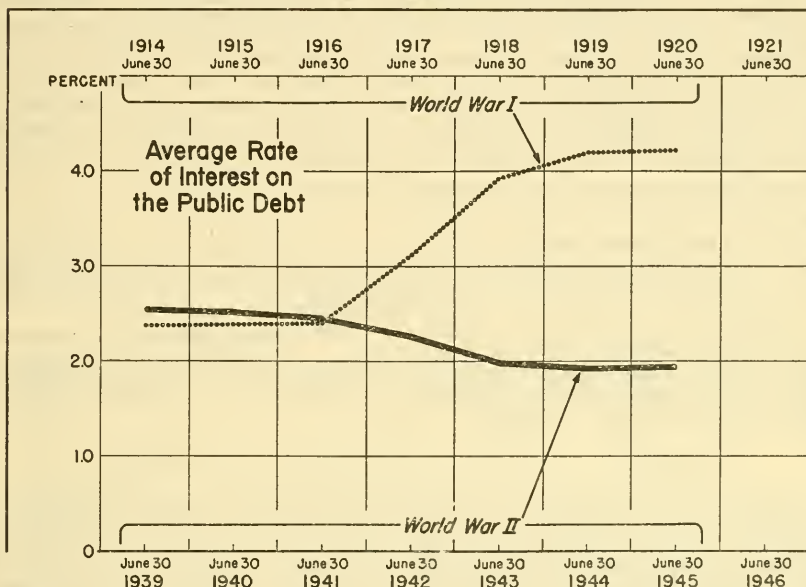
This war, unlike any previous major war in which this country has been engaged, has been financed at a low and declining level of interest rates.

On June 30, 1914, just before the outbreak of World War I, the average rate of interest on the interest-bearing debt of the United States Government amounted to 2.36 percent. The debt then amounted to \$1 billion, and was largely held by national banks to secure their outstanding circulating notes. Six years later,

on June 30, 1920—when the debt had risen to \$24 billion—the average rate had increased to 4.22 percent.

On June 30, 1939, just before the outbreak of World War II, the average rate of interest on the interest-bearing debt (including guaranteed obligations)—which was then \$45 billion—amounted to 2.53 percent. On June 30, 1945, six years later—when the debt had risen to \$257 billion—the average rate of interest had fallen to 1.94 percent. (See chart: Interest Rates Rose in Last War; Fell in This.)

### *Interest Rates Rose in Last War; Fell in This*



The figures just given (and those plotted on the chart) substantially understate the saving in interest cost between this war and the last one. This is because the interest on all the securities issued in World War I was either wholly or partially exempt from the Federal income tax; while the interest on all Government securities issued since March 1, 1941, has been subject to the full rates of the Federal income tax. Giving effect to the greater proportion of the interest on the securities now being issued which will be returned to the Government in the form of taxes, the net cost of each dollar borrowed in this war is only about one-third that of the last war.

In addition to the saving in net interest costs, the elimination of the tax-exemption privilege on Government securities was an important step toward more democratic war finance. This is because the privilege of tax exemption—which all received at the same price—was worth nothing at all to the poorest subscribers, but was worth a great deal to those in the high-income brackets. The poor were, therefore, always overcharged for it, while it was sold to the rich at a fraction of its value.

It is, of course, a corollary of the declining level of interest rates during this war that the Government bond market has been, and continues to be, strong. This, again, is in sharp contrast to the experience of the United States in prior major wars—which have always been accompanied by weak bond markets with consequent capital losses to persons who purchased Government securities.

The contrast between the two World Wars in the cost of money to the Government, and in the behavior of the bond market, is not confined to the United States. It has been world-wide. It is due principally to the improvement in the art of monetary management during the last generation.

It was formerly believed by some that a high rate of interest was inevitable in wartime; and by others that, if it was not inevitable, it somehow helped to check inflation. Finance ministers in every major belligerent country have learned that



neither of these views is true. High rates of interest are not inevitable in wartime, and they do not help check inflation.

Inflation can be checked only by increasing production or reducing expenditure. High interest rates do nothing to increase production, nor do they check either Government expenditure or ordinary consumer expenditure. The only types of expenditure which interest rates can affect are those for capital goods and for housing. These expenditures comprise a very small segment of the wartime economy; and are, in any event, held on short leash by direct controls. To endeavor to control inflation in wartime by raising interest rates is, therefore, like raising a lever which has no machinery behind it.

After the completion of the transition from war to peace, the continuation of low interest rates will be a definite factor in the stimulation of full employment. This is because those very sectors of the economy which are potentially sensitive to interest rates—housing and producers' expenditures for capital goods—bear just the reverse relationship to the economy in peace as in war. In war, they are small; and they are limited in amount, not by interest rates, but by the Spartan necessity of conserving our resources for the war effort. In peace, they must be large in order to insure full employment, and will be larger at low interest rates than at high ones. The benefits of a low interest-rate policy, therefore, will carry through from the wartime to the peacetime economy.

#### THE JOB AHEAD

The job of war finance is not yet finished. The peak, both in war expenditures and in borrowing requirements, has probably passed; but, in some respects, the most crucial period still lies ahead. This is because, while the physical dimensions of the problem are shrinking, its psychological difficulties may increase.

Periods of crisis unite men in action for the common good, while victory too often brings relaxation and recrimination. I am sure, however, that the people of the United States are not going to hazard the post-war economic stability, which is now almost within their grasp, by prematurely relaxing their efforts on the war-bond front, or any other.

#### INTERNATIONAL MONETARY AND FINANCIAL DEVELOPMENTS

During the period 1934-45 the actions of the United States in the sphere of international money and finance were of greater importance than in any previous period. They were of great importance to our own country, and since our country had become the largest factor in the field of international finance, its actions were also of great importance for affairs in other countries. Within our Government the Treasury Department was the central agency for handling these matters and had to meet, in peace and war, unprecedented conditions and demands.

##### A. STABILIZATION, GOLD AND SILVER

#### STABILIZATION 1934-40

The depression, which began in 1929, increased the tremendous strain on the international exchanges which had been restored with so much difficulty in the 1920's. During the depression most countries had to, or chose to, depart from the fixed gold parities of their currencies. Unfortunately in some cases, when a change in parity was made, the change was excessive, with the object of securing a competitive advantage in international trade. Other countries felt compelled to take protective measures. In addition, the Axis powers, as part of their campaign for war, resorted to a series of foreign currency practices designed to increase their political and monetary strength and to undermine the independence of weaker nations. In consequence, international monetary relations went through a period of serious disorder.

The international monetary policy of the United States of the last decade has had two objectives: first, in 1933, to restore the international economic position of the United States through the revaluation of the dollar; and second, when a reasonable value for the dollar was attained relative to other currencies, to secure the cooperation of other countries in entering into orderly and stable exchange arrangements.

Because the World Monetary and Economic Conference in London in 1933 would have perpetuated the serious overvaluation of the dollar, this Government found it necessary to decline to enter into an agreement for the stabilization of currencies at the then prevailing exchange rates. Once the readjustment had been made in 1934, the Treasury proceeded with its policy of international monetary cooperation.



Of special significance in this period is the Tripartite Declaration of September 1936. For some time the French Government had had great difficulty in maintaining the gold value of the franc and France had decided to relieve the downward pressure on the French price level through devaluation. Under the Tripartite Declaration, the Governments of France, the United Kingdom and the United States declared their determination to consult with each other on exchange policy and to cooperate in reducing the disturbances in international exchange markets. On November 24, 1936, Belgium, the Netherlands, and Switzerland indicated their adherence to the Tripartite Accord.

During this period, beginning in 1936, the Treasury also made a number of bilateral stabilization agreements with the object of helping to stabilize the rates of exchange. Of special interest have been the various stabilization agreements with China. As early as May 1936 the United States undertook to make available to the Central Bank of China dollar exchange to the extent of \$20 million for currency stabilization purposes. In 1937 the scope of this arrangement was broadened and the amount increased to \$50 million. The 1937 arrangement was renewed from time to time until 1943. In addition, in April 1941, a \$50 million stabilization agreement was signed, simultaneously with a similar agreement by China with the British Government. Under these arrangements a dollar-sterling-yuan stabilization fund was established under the management of a board consisting of three Chinese, an American appointed by China on the recommendation of the Secretary of the Treasury, and a British national appointed on the recommendation of the British Treasury. These monetary arrangements with the Chinese Government were among the first concrete steps which this Government took to assist China in resisting Japanese aggression.

#### THE BRETTON WOODS AGREEMENTS

The experience of the 1930's convinced me that it was possible to obtain international agreement on foreign exchange problems. It also became clear in that period that in the absence of such agreement peace and prosperity would be in constant jeopardy. Finally, the Treasury experience with bilateral and the Tripartite agreements led to the conclusion that success on these matters required the active cooperation of many countries.

Accordingly, in 1941 I instructed the Treasury staff to begin work on the international monetary and financial problems that would confront us after the war. A memorandum was prepared recommending the establishment of an international fund and an international bank. In January 1942 the Conference at Rio de Janeiro took cognizance of this recommendation by adopting a resolution calling for participation in a conference to consider the establishment of an international stabilization fund. Two months later a memorandum on the establishment of an international fund and an international bank was presented to President Roosevelt who requested the Treasury to continue this work in consultation with other agencies of the Government.

In March 1943, with the approval of President Roosevelt and Secretary Hull, a tentative proposal for an international stabilization fund was sent to the finance ministers of the United and Associated Nations. At the same time, a proposal for an international clearing union was submitted by the United Kingdom Treasury. Proposals were later submitted by France and Canada. In November 1943, I also submitted a tentative proposal for an International Bank for Reconstruction and Development to the finance ministers of the United and Associated Nations. All proposals, those of the United States and of other countries, were made available to the press.

The various proposals, and particularly those submitted by the United States, were the subject of long discussion with the technical representatives of some 30 other countries over a period of more than a year. These bilateral discussions revealed a large measure of agreement on the principles that should be followed in dealing with international currency and investment problems after the war. President Roosevelt, therefore, invited the United and Associated Nations to a conference to be held at Bretton Woods, N. H., beginning July 1, 1944, to consider the establishment of an international monetary fund and an International Bank for Reconstruction and Development.

Throughout the long period of preparation and during the Conference itself, there was the closest cooperation between the Administration and Congress. On four occasions, I appeared before the interested committees of the Senate and the House to inform them of the progress in the discussions. Included in the American delegation to the Bretton Woods Conference were four congressional delegates: the chairman and ranking minority member of the House and Senate Com-

mittees on Banking and Currency. In addition, the chairman and ranking minority member of the House Committee on Coinage, Weights and Measures were included as advisors to the American delegation.

The Conference, of which I was chairman, prepared proposals for an international monetary fund and an International Bank for Reconstruction and Development. Their purpose is to facilitate the expansion and balanced growth of international trade and the encouragement of international investment for productive purposes.

The fund's essential features can be summarized in four main points:

1. Members of the fund recognize that international monetary problems can be solved only through international cooperation and they agree to collaborate in dealing with such problems.

2. The fund provides for the establishment of the parities of the currencies of its members in terms of gold. Members agree to maintain exchange rates stable within 1 percent of these parities and not to alter the parities of their currencies except after consultation with the fund or with its concurrence.

3. Members of the fund agree not to impose new restrictions on making payments or transferring funds in connection with exports and other current international transactions and to remove the restrictions now in effect as soon as conditions permit.

4. In order to help countries maintain these fair exchange standards the fund will sell foreign exchange for a country's own currency in limited amounts and under adequate safeguards. For this purpose the fund has resources of \$8.8 billion in gold and currencies subscribed by all countries. The subscription of the United States will be \$2.75 billion.

The essential features of the Bank can be summarized as follows:

1. Private international investment for sound and productive projects is beneficial to the borrowing and lending countries and to the international economy in general and should be encouraged.

2. If private investors are not prepared to make worthwhile foreign loans at reasonable rates of interest, the International Bank will guarantee the loans or make the loans directly out of its own capital or out of funds raised through the sale of its debentures.

3. Because the benefits of international investment are world-wide, the risk should be shared by all countries. This would be done through their subscription to the Bank's capital of \$9.1 billion. Of this, the United States will subscribe \$3.175 billion.

Legislation authorizing American participation in the fund and the bank was introduced in both Houses of Congress on February 15, 1945. After thorough discussion, in which the American people were given every opportunity to express their views, the bill was passed by the House of Representatives on June 7, 1945, by the resounding majority of 345-18.

On June 12, 1945, I appeared before the Senate Committee on Banking and Currency and urged that the Senate pass this bill as "an inspiration to war-weary and hungry people everywhere, to people who have faith that the United Nations can and will work together to bring about a better world."

The Senate, reflecting the overwhelming sentiment of the American people, passed the bill with a few minor amendments on July 19, 1945, by a nonpartisan vote of 61-16, and on the following day the House unanimously concurred in the Senate's amendments. The American people and their Congress had demonstrated to all that they are united in their willingness to fulfill the grave responsibilities of world leadership.

The establishment of the international fund and the International Bank is the direct result of the preceding eleven years of Treasury initiative and cooperation with other countries in the field of international money and finance. The Articles of Agreement embody the lessons we have learned and the best statements of policy which we had earlier worked out on many technical points. I am confident that these two organizations can contribute a great deal to world peace and prosperity. They can be effective instruments. However, they are instruments and their effectiveness must depend upon the will of many countries to use them for the common good of mankind.

#### GOLD POLICY

1934-40

The gold policy of the United States since 1934 has been founded on two basic premises: first, the economic recovery and stability of the United States depends on an external value of the dollar in relation to other currencies which will not

depress the domestic economy; and, second, the prosperity of the United States will be furthered by international cooperation to facilitate the holding and use of gold to settle international payments and to stabilize exchange rates.

The first step after 1933 in developing this policy was to protect our gold reserves from the effects of speculation. In recognition of the fact that the hoarding of gold and speculative gold movements in and out of the country vitally affect our economic system through our monetary and banking reserves, the President by a series of executive orders directed the Secretary of the Treasury to regulate transactions in gold. Thereafter, the import and export of gold, and the use of gold at home, were subject to Treasury license.

The second step was to revalue the dollar in terms of gold to take account of the serious distortions in relative currency values that had taken place.

By 1933, nearly all countries of the world, with the exception of the United States and a few American republics, and France and the small European gold bloc, had gone off gold and had depreciated their currencies. This depreciation of most of the currencies of the world inevitably added to the pressure on our domestic prices and was a factor in reducing our exports. Before recovery could take place a readjustment of the relationship of the dollar to other currencies was necessary.

As a result of the congressional acts of 1933 and 1934 and the pursuant Executive action, the United States departed from the traditional gold standard and established a new value of the dollar at  $15\frac{1}{2}$  grains of gold  $\frac{9}{10}$  fine, equivalent to \$35 a fine ounce. This reduction in the gold content of the dollar was not undertaken with a view to increasing our trade at the expense of other countries. Rather, the action was taken as a means of adjusting prices in the United States to those of the rest of the world, prices which had moved out of line largely because of the depreciation which had occurred in the currencies of other countries.

With the readjustment in the price of gold and the regulation of gold transactions, we at the Treasury were in a position to proceed with our policy of international currency cooperation without imperiling the domestic economy. The Gold Reserve Act of 1934 authorized the establishment of an exchange stabilization fund to be operated by the Secretary of the Treasury with the approval of the President, and appropriated the sum of \$2 billion out of the increment resulting from the reduction in the weight of the gold dollar.

In order to facilitate the use of gold in the settlement of international transactions, I announced in February 1934 that as a matter of policy we would grant licenses for the export of gold to central banks and treasuries of other countries whenever such exports were needed for international payments. The effect was to place the United States on an international gold standard with the foreign exchange value of the dollar tied to the legal price of \$35 an ounce for gold. In 1936 in connection with the Tripartite Declaration, we undertook to sell gold to the exchange stabilization funds of other countries who offered similar facilities to the United States. In fact, from February 1934 until the present, the Treasury has freely bought and sold gold to central banks and governments.

While the Treasury was partially successful in its policy of encouraging the use of gold for settling international transactions, it could not prevent the continued maldistribution of gold which developed in the 1930's. From 1934 until the outbreak of war in 1939, gold continued to flow into the United States in relatively large amounts. In this period the gold holdings of the United States Treasury increased from \$6,880 million on February 1, 1934, to \$16,110 million on September 1, 1939. In part, this inflow represented payment for the excess of our current transactions, including exports. But a greater part of the influx was the result of a capital flight in search of speculative profits or security from the threatened aggression in Europe.

#### 1941-45

From 1939 until November 1941 the inflow of gold continued at an accelerated rate as European nations transferred their gold stocks to this country, for use in the war and to put them beyond the reach of the Axis aggressors. In the first two years of war the monetary gold stock of the United States increased from \$16,110 million to \$22,800 million (October 21, 1941).

In the years which followed, effective use in the conduct of the war was made of our large supply of gold. From November 1941 to June 30, 1945, our gold holdings were reduced by \$2,590 million. The gold sold to foreign countries was used in the acquisition of foreign resources, materials, and services vital to our conduct of the war. The greater part of this gold was purchased by the foreign central banks whose dollar balances had been increased by United States war ex-



penditures abroad. A minor, though not unimportant, part of this gold was used in the gold sales program in India and the Middle East, assisting those countries in their efforts to check inflation, and at the same time providing the United States, at a great saving in dollar costs, with local currencies needed for military expenditures.

During the war we pursued our policy of encouraging other countries to hold and use gold for settling international transactions. Gold purchase agreements were made with the Union of Soviet Socialist Republics to enable the Soviet Union to purchase goods and services in the United States for the prosecution of the war against the Axis. Agreements were signed with Brazil and with the Republic of Cuba whereby the United States undertook to sell gold to them as a backing for their currency.

The international fund, discussed elsewhere, recognizes in several significant ways the importance of gold as a means of settling international balances and as an international currency standard. Under the fund agreement the par value of each member's currency must be defined in terms of gold or in terms of the United States dollar of present weight and fineness. A considerable part of the assets of the fund will be held in the form of gold. In addition, the fund will acquire gold under the provision requiring countries to repurchase their own currencies held by the fund with gold or foreign exchange. In turn, countries obligate themselves to purchase gold from the fund when their currencies are needed for international transactions. The establishment of the international monetary fund will represent the fruition of the basic gold policy of the Treasury.

#### SILVER POLICY

1934-40

During the years of depression the price of silver had fallen steadily. In part this was due to the reduction of the fine content of silver coins and the decreased monetary use of silver in a number of countries. In the 1920's and early 1930's, some countries were sellers of silver taken out of coinage. At the same time, the nonmonetary use of silver declined sharply because of the industrial depression.

It has been my policy at the Treasury to encourage the monetary use of silver, to broaden the monetary base by the inclusion of a larger proportion of silver in the monetary stock of the United States, and to raise the price of silver to a reasonable level and to stabilize it.

The Silver Purchase Act, approved June 19, 1934, declared the policy of the United States to increase the proportion of silver to gold in the monetary stocks of the United States with the object of maintaining in silver one-fourth of the monetary value of the stocks of silver and gold. The act directed the Secretary of the Treasury to purchase silver upon terms and conditions he deemed reasonable and in the public interest so long as the silver in the monetary stock was below this ratio and the price of silver was below its monetary value. The silver is paid for by issuing silver certificates in an amount not less than the cost of the silver.

Under this act, the Treasury increased the silver in the monetary stock by 2,350 million ounces from 1934 to 1940. Nevertheless, because of the increase in the gold stock, it was not possible to attain the ratio of one-fourth of the monetary base in silver, the objective of the Silver Purchase Act.

Since December 21, 1933, the Treasury has acquired all domestic silver offered to the mints at a price fixed by Presidential proclamation or by law, varying from 64.64 cents an ounce to 77.57 cents an ounce. Since July 1939 such silver has been bought at 71.11 cents an ounce as directed by the act of July 6, 1939. We also acquired considerable quantities of foreign silver under the Silver Purchase Act. Prior to our entrance into the war and for some time before, the price of foreign silver had remained fairly constant at 35 cents an ounce.

1941-45

After this country entered the war, I steadfastly pursued the aim of putting all available silver into urgent war uses. The concrete steps taken during this period reflected the determination of the United States to fight a total war with all the means at hand.

First, we made Treasury silver available for use in the domestic production of munitions of war. Second, the Treasury withdrew from the silver market and allowed domestic and foreign production to be channeled into war uses. Third, we sent silver abroad to our Allies to be used in the common war effort.

Because of the growing scarcity of strategic metals, I entered into an agreement with the Defense Plant Corporation in 1942 to "lend-lease" silver to be used in



war plants. More than 900 million ounces of silver were put to non-consumptive use as a substitute for copper and other metals in producing aluminum, magnesium, and other war materials. In this way, substantial quantities of critically needed copper and other metals were released for the production of munitions. Title to the silver remains with the Treasury and the silver will be returned after the war. We have also cooperated with the War Production Board in channeling foreign silver into high priority war uses. Similarly, the Treasury has left available for important war uses nearly all of the silver produced in the United States by drastically limiting its purchases of domestically mined silver. We purchased no foreign silver after November 1941 and reduced our purchases of domestic silver in 1944 to 125,000 ounces out of a total production of 35.7 million ounces.

In addition, under the Green Act, I have arranged to sell silver to industrial users certified by the War Production Board. As of June 30, 1945, the Treasury had sold 108.9 million ounces of this silver for war purposes.

We further conserved vitally needed strategic war metals by substituting silver for nickel and copper contained in the new 5-cent piece composed of 35 percent silver, 56 percent copper, and 9 percent manganese. Previously, the 5-cent piece was composed of 75 percent copper and 25 percent nickel. This measure was designed to save annually almost a million pounds of nickel and up to a million pounds of copper.

We have also played an important part in assisting the allied war effort in various theaters of war by lend-leasing silver for coinage and industrial uses and to help prevent price inflation. The Treasury made available 335 million ounces of silver to foreign countries under lend-lease arrangements. These countries include the United Kingdom, India, Australia, the Netherlands, Ethiopia, Saudi Arabia, and the Fiji Islands. Under the special agreements, these countries will return the silver after the war to the United States Treasury on an ounce for ounce basis. The demand for silver by these countries will provide a stabilizing influence in the silver markets after the war.

There can be no doubt that after the war the demand for silver will be greatly increased. Post-war silver policies are important to many countries, including the United States. At the Bretton Woods Conference, the Treasury supported a recommendation of the Conference that the problems resulting from wide fluctuations in the value of silver should be further studied by the interested nations.

#### B. MILITARY FINANCIAL OPERATIONS;

The fact that our Army and Navy have had to fight this war in all parts of the globe has resulted in a multitude of foreign currency and foreign exchange problems such as no other military force in history has had to meet. Under my direction, the Treasury Department has worked closely with the military on these problems in all their campaigns and in the planning which preceded the campaigns. From the time in 1942 when the Treasury provided the gold coin which General Clark carried with him on his secret mission to North Africa by submarine, the Treasury has been helping the military to meet the monetary problems of waging warfare in foreign countries.

Each major campaign posed new problems. The Treasury Department undertook a thorough analysis of the economies of the countries in which the United States military forces would operate. From the first it was recognized that we would need suitable currencies with which to buy food and pay for labor, and our troops would have to receive their pay in a form which would enable them to buy locally without creating economic chaos behind our lines. Exchange rates with the dollar were needed for each currency used. The financial arrangements had to be consummated in the planning stage of each military operation.

Negotiations with our allied governments-in-exile prior to military operations for the liberation of their territories resulted in arrangements for the supply of local currency for military use. Agreement was reached on the military rate of exchange between the United States dollar and the local currency. In enemy countries, since there were no governments with which to deal, the armed forces were provided with special currencies and appropriate rates of exchange were established. Such arrangements were made in cooperation with the United Kingdom or the Soviet Government or both, as was appropriate.

Much of the special currencies used by our armed forces was designed and printed in the United States under conditions where great secrecy and speed were essential. To assist in this, the facilities of the Bureau of Engraving and Printing were made available, and the facilities of American commercial firms were also enlisted.

New accounting procedures were necessary, and these were planned and put into operation. Where advances of special currencies (such as the allied military mark) or of currencies of allied countries (such as the French franc) are received by the United States armed forces, a charge is made against the appropriated funds of the War or Navy Departments, as the case may be, in the amount of the dollar equivalent of the local currency advances. This is computed at the rate of exchange being used for military transactions. These United States dollars are placed in special deposit accounts established for each currency with the Treasurer of the United States. In this way congressional control over the expenditures of the armed forces is maintained, regardless of whether full settlement in dollars is made for the advances obtained by the armed forces.

#### INVASION CURRENCY

When we prepared to invade enemy countries, and countries occupied by the enemy, we could not plan to use customary procedures for countries which have not been battlefields of the war. From the outside, we could not know with certainty what we would encounter in enemy-held territory. In Tunisia, the Germans flooded the territory with French francs, paid out with a lavish hand, in the hope of setting loose an uncontrollable inflation, as they did so much more thoroughly in Greece. In Sicily, the Germans ordered the banks to burn Italian currency before our forces arrived. We had to be ready to meet both these tactics, as well as others which have been used against us. We needed to assure our troops of necessary currency, without depending on local banks (because we might find banks destroyed, or unusable because their management's loyalty was questionable), without knowing whether civilian government would be in condition to permit normal business transactions, and without the opportunity (in the case of enemy and French territory) of making arrangements in advance with a recognized government. We had to anticipate the possibility that we would be required to provide currency for civilian needs, before local self-government could be re-established in liberated areas. Our assault forces would precede even a recognized government. We might find that the mayor of the first town liberated needed money urgently to keep his police force on the job, to hire laborers to clear the streets, or for a host of other work needed in the immediate wake of battle. Our supply officers needed an acceptable currency so they could hire local civilians. It is obviously easier to hire a crew of laborers to unload ships if we pay them in cash at the end of each day, rather than give them receipts and tell them to submit their claims for future collection.

However, our currency programs had to be suited to the very diverse conditions that were found in the countries in which our troops fought. In North Africa, we first used specially prepared yellow seal dollars and then North African currency. In Italy, we again used yellow seal currency in the early weeks of the invasion of Sicily but we soon introduced a specially prepared allied military lire. In France the allied forces landed on the Normandy beaches with "supplemental francs" printed in the United States, while in Belgium and in the Netherlands our military forces used the currencies which had been prepared by their respective governments in London. In Germany allied military marks had been prepared in advance and for Austria, allied military schillings. In the Netherlands East Indies, Netherlands Indies guilders obtained from the Netherlands Government were provided to our troops. In the Philippines, new "Victory Pesos" were produced by the United States Bureau of Engraving and Printing for the Commonwealth Government and made available to us in exchange for dollars. On Okinawa, our valiant troops are being paid in military yen. Thus we have made available to the Army and Navy the full experience of the Treasury in dealing with financial problems and we hope that we have thereby made a substantial contribution to the effective prosecution of the war.

In each of the allied countries, the invasion currency used was not in any sense a currency of the United States. It was provided by the local government of the liberated country itself, and such government or its central bank is solely responsible for the redemption of the currency. We pay in United States dollars for the foreign currency we use for net troop pay and certain other strictly military expenditures not covered by reverse lend-lease. The moment any such disbursements are made by Army Finance officers, Washington is notified and the dollar amount is taken from the Army appropriation and set up in a special account in the Treasury. A similar procedure is followed with Navy expenditures. Thus, congressional control over the size of Army and Navy appropriations is strictly maintained, Generals Eisenhower and MacArthur and Admiral

Nimitz are supplied with ample local currency of the country in which they are operating and the allied government is paid later when the accounts are balanced up.

#### CURRENCY PRACTICES OF OUR ALLIES

Our allies have followed similar procedures in providing currency for their military forces in foreign lands. The British used a British military authority note, denominated in pounds in their early operations in Africa; again, side by side with our yellow seal dollar, in North Africa and in the early weeks of the Sicilian operations; and, only a few months ago, in the operations in Greece. The British joined us in the use of AM lire in Italy. British arrangements with the Western European countries for currency are much the same as ours. Canada is being supplied with francs and guilders in the same way. The Russian forces introduced a military lei in their invasion of Rumania, and are today using the same AM mark in eastern Germany and in Austria as we are using in our occupation zones. We have planned with our allies for the use of money as well as for the use of other weapons of war.

#### FINANCING OF U. S. ARMY IN CHINA

The United States Army began its activities in China in July 1942. From the very beginning, because of the peculiar conditions in China, particularly the existence of an advanced inflationary situation, our troops have been paid in United States currency. This has been done with the permission of the Chinese Government.

The problem of procurement for the Army in China was not very serious until the end of 1943 because our military establishments in China were still comparatively small. However, with the stepping up of our military program in China toward the end of 1943, particularly the building of large air bases, it became necessary to re-examine the question of how to finance United States Army procurement in China. Following negotiations with the Chinese, it was arranged that periodic settlements be made with China for advances of local currency and for supplies, services and military construction furnished the United States forces in China.

On January 22, 1945, I announced that the Treasury Department had just completed transfer to the Republic of China of \$210 million in settlement for such advances.

The Treasury Department has assisted the Chinese in obtaining the necessary facilities to print Chinese currency in the United States, as well as the necessary transport facilities to ship such currency to China.

#### FINANCIAL SETTLEMENT

It is necessary to prepare now for the financial settlement which will ultimately close out our military operations in many countries. To this end, I have instructed the technical staffs of the Treasury Department to consult with the accounting officers of War and the Navy Departments, and to prepare the records and to institute steps leading towards the liquidation of financial questions between the governments involved.

#### C. FOREIGN AID AND LEND-LEASE

##### EARLY WAR PERIOD

One of the major contributions of the United States toward victory in the Second World War has been the tremendous outpouring of supplies which have been made available to our allies. On the side of finance this aid has only been possible because ways were found to finance actions which would save lives and hasten victory.

Even before the outbreak of the Sino-Japanese War in 1937, the United States Treasury attempted to help the young Chinese Republic lay the financial and monetary basis for a united nation capable of resisting Japanese aggression. In the four years between the outbreak of the Sino-Japanese War and Pearl Harbor, we worked out an integrated program of financial aid to China. This program included direct aid in the form of stabilization agreements (dealt with in the section on international monetary cooperation), and the use of the Treasury's Foreign Funds Control to implement China's exchange controls, and indirect aid in the form of supporting Export-Import Bank loans to China. Thus, in consultation with other United States Government agencies and proper congressional



committees, the United States Treasury rendered effective aid to China in her resistance against Japanese aggression, recognizing that the Japanese defeat of China would be a vital blow against American national interests.

In 1938 I assisted the Chinese to obtain a \$25 million loan from the Export-Import Bank for the purchase of supplies essential to the Chinese war effort. Moreover, I placed the experience of the Procurement Division of the Treasury Department at the service of the Chinese Government. When most of the original \$25 million had been spent, China was given in March 1940, a second loan for \$20 million and then, during the remainder of 1940, the third and fourth Export-Import Bank loans for \$25 million and \$50 million respectively were granted.

The \$50 million stabilization agreement entered into in April 1941 was made effective by a program of freezing Chinese and Japanese assets in the United States with the result that China could now regulate the foreign assets of Chinese in occupied China while the dollar proceeds of financial transactions with China were channeled into the coffers of the Government of China. (See section on Foreign Funds Control.)

Beginning in 1938 the British and French Governments began to place orders in this country for war materials. It was important to facilitate such foreign purchases. The defense of those countries was in fact the defense of the United States. These purchases would, moreover, encourage the increase of production facilities here. Finally, it was part of my responsibility to make certain that such foreign procurement was within the financial capacity of the nations involved. At my insistence all foreign governmental orders were cleared through this Government, and in late 1938 the President asked me to represent the United States Government in its relations with foreign purchasers. On December 6, 1939, the President formally appointed a Liaison Committee consisting of representatives of the War Department, Navy Department and Treasury Procurement and asked me to serve as his liaison with it.

To assist the Committee in carrying out its tasks, I arranged for a system of detailed, periodic reports on the status of all orders placed in this country. Information drawn from these reports was made available to the foreign purchasing missions and to the United States Government agencies concerned. As orders mounted after the fall of France in the summer of 1940 the Liaison Committee acted to coordinate the foreign with our own domestic needs. This was a forerunner of work later to be done by Lend-Lease Administration.

#### ORIGIN OF LEND-LEASE

Throughout this period I was kept informed concerning Great Britain's financial position. By the end of 1940 British gold and dollar balances were reduced to a level barely sufficient to discharge existing obligations. Britain, then the lone bulwark against aggression in the Atlantic, was in a position in which it would be compelled by lack of adequate financial resources to scrimp in a defense which was our own as well as theirs. In recognition of this contingency President Roosevelt asked Congress to authorize the manufacture of materials and supplies to be turned over to those engaged in war with the Axis.

In anticipation of this situation the Treasury under my direction had prepared for the President's consideration, and subsequent approval, the formula which was incorporated in H. R. 1776—the lend-lease bill. After full hearings this bill was enacted into law on March 11, 1941.

The Liaison Committee continued to function until May 2, 1941, when the President by Executive order made it the Division of Defense Aid Reports, which took over the administration of the lend-lease program. The Office of the Lend-Lease Administrator was established on October 28, 1941. At no time did lend-lease involve the creation of new procurement agencies. Instead, the existing facilities of the Government were employed. The Procurement Division of the Treasury was designated to purchase industrial and other commodities, automotive equipment, and miscellaneous items. It has been substantially enlarged to permit the discharge of this added responsibility. In addition throughout the war I have continued to review the finances of countries which are eligible to receive aid under lend-lease.

#### OTHER WARTIME FINANCIAL AID

In some cases it has been necessary to afford special facilities to a cobelligerent. As noted above, following the German attack upon Russia in June of 1941, gold arrangements were made with the Union of Soviet Socialist Republics which enabled it to make purchases in the United States.



The outstanding instance of direct financial assistance to our Allies was the \$500 million financial aid extended to China in March 1942. Japanese military victories had made imports of military and civilian supplies very difficult. Financial aid, however, was still possible, and it was given without stint, reflecting the keen desire of the American people and the government that China's resistance against Japan should be strengthened to the fullest extent possible.

By the terms of the agreement entered into between the Foreign Minister of China and the Secretary of the Treasury with the unanimous authorization of Congress, the Chinese were given a credit of \$500 million on the books of the Treasury on which they could draw at such times and in such amounts as they wished. Most of these funds have been used as backing for issuance of United States dollar savings certificates and United States dollar bonds and for the purchase of gold from the United States for sale in China. These measures have been part of the Chinese Government's effort to reduce the inflationary price increases, which have hindered the Chinese war effort.

#### D. FOREIGN FUNDS CONTROL

##### DEVELOPMENT OF THE CONTROL

For several years before the war we were at work on measures designed to limit the benefits which aggressor powers could obtain from seizing the foreign exchange assets of invaded countries. During the same period we closely studied the financial activities of the Axis powers in the United States and drafted preventive measures. Long before it was decided to freeze foreign funds in the United States, we had prepared and carefully considered the plans for establishing a bureau of Foreign Funds Control and the purposes and policies it was to follow.

Freezing control was initiated on April 10, 1940, when Germany invaded Norway and Denmark. On that day the President, by Executive Order No. 8389 pursuant to section 5 (b) of the Trading With the Enemy Act, prohibited transactions involving Norwegian and Danish property within the United States except as authorized by the Secretary of the Treasury. During the summer and fall of 1940, as other countries were invaded or dominated by the Axis, the control was successively extended to the assets of the Netherlands, Belgium, France, the Baltic and Balkan States. These extensions were largely due to the initiative of the Treasury Department.

Foreign funds control had as its primary purpose the protection of the assets within the United States of invaded countries. It was designed to prevent the control of these assets from falling into the hands of the invaders and to protect American institutions from possible adverse claims. As the international crisis deepened, and as the scope of the control was widened to include other countries, it soon became apparent that the control was a sharp and valuable weapon of economic warfare which could strike telling blows at the Axis powers.

In June 1941, the control was extended to Germany and Italy and to the rest of the continent of Europe. On July 26, 1941, the control was initiated against Japan. At the same time, the freezing control was extended to China at China's request. Freezing of Chinese assets was part of an over-all program of aid to China. (See section on financial aid.) It also prevented Japan from using the occupied areas in China as a loophole for evading our freezing controls.

Through the bureau of Foreign Funds Control, we have also carried out all the Presidential powers under section 5 (b) of the Trading With the Enemy Act, as amended. The freezing control covers the current financial transactions of more than thirty-five countries. The frozen assets consist not only of bank deposits, gold and securities, but also of 4,000 business enterprises, as well as merchandise, patents and other forms of property. These assets are administered through an orderly licensing procedure whereby permission is granted to effect transactions not inimical to the interests of the United States.

As licensing problems unfolded and we became familiar with their nature and pattern, we were able to carve out certain areas wherein, under specified conditions, the restrictions could be safely relaxed through the means of general licenses. Other more complex transactions were kept subject to specific license. The volume of applications for such licenses, which are now being received at the rate of about 6,000 per month, was at one time as high as 40,000 per month. From January 1942 through March 1945, transactions in assets totalling over \$10 billion have been authorized under specific licenses.

At the outbreak of war on December 7, 1941, it was indicated that a separate agency might be created by the President to exercise managerial functions with respect to enemy property. In anticipation of the creation of such an agency, I

refrained from actions on those matters which would be exercised by an Alien Property Custodian. On March 11, 1942, Executive Order No. 9095, was issued establishing the Office of Alien Property Custodian. It was amended on July 6, 1943, by Executive Order No. 9193. The latter order divided the authority between Treasury and the Alien Property Custodian as follows: The Custodian was given the responsibility of (1) vesting or supervising of business enterprises owned by, or on behalf of, persons living in the six countries which have declared war against the United States; (2) handling of enemy-owned real estate and foreign owned patents, trademarks and copyrights and ships; and (3) dealing with enemy interests in litigation. The Treasury retained control of dollar balances, securities and other liquid assets of enemy countries, pending clarification of this Government's policy with regard to the ultimate treatment of the assets of enemy countries.

On June 8, 1945, Executive Order No. 9193 was further amended on the basis of an agreement between the Alien Property Custodian and myself, which gave the Custodian power to vest all German and Japanese dollar balances, securities, and other liquid assets heretofore administered by the Treasury. This was effected in line with the agreed policy to eliminate completely all existing German and Japanese interests in the United States with the object of reducing the ability of Germany and Japan to rebuild their war potential.

#### SCOPE OF ECONOMIC WARFARE PROGRAM

*Enemy deprived of financial means in the United States.*—One of the primary objectives of the freezing control was to prevent the enemy from making use of the financial facilities of the United States. This objective was accomplished by (1) sterilizing and vesting the assets openly held in German, Japanese or other enemy accounts, (2) placing a "protective blocking" over the assets of countries occupied by the enemy, and (3) freezing the assets of persons located in the European neutral countries as a defense to forestall their being used for the benefit of the enemy.

In the early stages of the war when American territory, such as the Philippines and Hawaii, was being invaded or threatened by the enemy, some action was required to protect the hundreds of millions of dollars worth of currency, checks, bonds, and other securities held in these areas from possible seizure by the enemy. Since it was physically impossible to remove these assets, we initiated, supported and helped carry out the application of the "scorched earth" policy to these assets. For example, in the Philippines, many such liquid assets were destroyed and re-issued to their owners in the United States.

We prevented the use of United States financial facilities by the enemy even in cases wherein no frozen funds were involved. Because the dollar is the strongest currency in the world, it is the medium of exchange most widely used in international transactions. Through cooperation received from our banks, we were able to examine hundreds of financial transactions handled through United States facilities for persons in countries which were not blocked, thus preventing the enemy from using channels such as South America for effecting transactions inimical to us.

To prevent the enemy from disposing of dollar securities and currency, which they seized from their victims, I instituted a program prohibiting the importation of securities and currency into this country unless the titles were demonstrably free from Axis taint. Probably the most telling demonstration of the effectiveness of these controls to frustrate enemy looting has been the recent discovery within Germany of huge caches of securities, currency, gold, etc., which the Nazis were unable to convert into foreign exchange.

*Elimination of enemy influences and activity in the United States and abroad.*—In the business enterprise field, wide authority has been exercised in eliminating dangerous Axis influences. Since a number of business enterprises in the United States were used as a base of operations to carry out Axis plans to influence and to distort production; to hold markets in this hemisphere; to support fifth-column movements, and to lay the basis for post-war influence, stringent forms of control were exercised (even before the establishment of the Office of the Alien Property Custodian) by subjecting approximately 140 enterprises to rigid supervision, involving the dismissal of a number of executives and employees; by compelling the liquidation of approximately 300 enterprises, and by vesting the capital stock in large enterprises owned or controlled by Axis nationals.

Throughout the war I have striven to enforce a general policy of severing and eliminating all financial and commercial intercourse, direct and indirect, between the United States and the Axis and Axis-dominated countries. Pursuant to

section 3 (a) of the Trading With the Enemy Act, we examined and regulated all communications of a financial, business, or commercial character and all trade transactions between persons subject to the jurisdiction of the United States and persons in enemy countries or persons in Europe or Latin America included on the Proclaimed List of Certain Blocked Nationals.

We have worked actively with the State Department to secure the adoption of effective controls by other American republics, to coordinate their controls with those of the United States, and to encourage and to facilitate the destruction of Axis financial power within this hemisphere.

*Procurement of vital financial information.*—In 1941, the hazardous world situation demanded that this Government obtain as quickly as possible comprehensive information on all foreign-owned property in the United States, including that held by non-blocked countries and their nationals. We therefore, in June 1941, undertook a census of foreign-owned property in the United States. We required all persons in the United States having custody, possession, or control of any property in which a foreign national had an interest, direct or indirect, to file a full report with us. Foreign nationals who had arrived in this country since June 1940, were also required to report their own property.

About 565,000 reports were submitted and they were carefully collated and scrutinized. The study of these reports, which is nearly completed, shows that total assets in the United States belonging to persons in foreign countries amount to about \$12.7 billion, of which over \$6 billion is held by blocked countries and their nationals.

As the war progressed, it became apparent that the Treasury and other agencies of this Government also needed more information on American property interests abroad. This information was necessary to deal adequately with blocked countries and to meet the problems of reoccupation. Therefore, in June 1943, persons subject to the jurisdiction of the United States having foreign assets valued at \$10 thousand or more, were required to file reports giving foreign-issued securities held in this country, as well as property physically located aboard.

Some 235 thousand reports were submitted, of which 171 thousand came from individuals. Preliminary tabulations, which may be subject to considerable change in the final analysis, indicate total holdings abroad of approximately \$13 billion.

#### PREVENTING POST-WAR USE OF UNITED STATES FINANCIAL FACILITIES BY ENEMY INTERESTS

With the cessation of hostilities we have developed and have begun to carry out an orderly program for unfreezing blocked assets and for terminating the wartime freezing controls. In executing this program, we have followed certain basic principles: the rights of American creditors and other American claimants must be adequately safeguarded; assets held in the names of persons within blocked areas, but which actually belong to the enemy, must continue under American control; no benefits must be permitted to accrue to elements which have collaborated with the enemy; looted property must be returned to rightful owners, and transfers executed under duress and compulsion must be vitiated.

#### PROGRAM FOR RELEASING ASSETS OF LIBERATED COUNTRIES

As previously noted, during the course of the war all trade and business communication between the United States and the countries occupied by the enemy has been prohibited, and the property in the United States of such countries and their nationals has been immobilized under the freezing control. Upon the liberation of these areas from the enemy, however, we have facilitated, in cooperation with other agencies of this Government, the re-establishment of normal communication and financial channels.

Soon after liberation, we authorized various governments to use with relative freedom their public assets in the United States, including the funds of their central banks, for official purposes and for the purchase of merchandise for shipment to the liberated countries. Thus, with respect to France and Belgium, the first occupied countries to be liberated, we issued general licenses authorizing private trade and certain other current transactions between France and Belgium and the United States.

#### PROGRAM FOR RELEASING THE ASSETS OF NEUTRAL COUNTRIES

In administering the freezing control, we in the Treasury have also been concerned at the large number of accounts held in the name of neutrals, which actually represent enemy assets.



As a first step in the frustration of these plans, we initiated and secured the adoption of Resolution VI by the United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, calling upon all neutral countries to cooperate in meeting this problem. In execution of this resolution, approaches have been made to the neutral governments, requesting their cooperation in uncovering and controlling German assets hidden within their borders.

Our success in securing the forthright and active cooperation of the neutrals in such programs will have a direct bearing on the unfreezing of their assets in this country, for such measures can be taken only after bona fide neutral assets have been segregated from cloaked enemy assets. We have instituted measures to this end. Regulations have been issued whereby no sales of securities held in accounts of blocked foreign financial institutions may be effected, and no purchase of securities held in such accounts may be collected unless the nationality of the beneficial owners of the securities is disclosed to the American depository. This process of forcing disclosures of enemy interests must be completed prior to the release of blocked neutral assets; otherwise neutral accounts in our own banks may serve as havens for the ill-gotten gains of Nazi war criminals. Indiscriminate unblocking might permit the Nazis to keep their loot as a nest egg for another war.

#### ADMINISTRATION

Up to this point, I have dealt largely with the policy matters involving taxation, finance, and money. However, policy decisions and program plans, if they are to be effective, must be translated into action through a well-managed and smoothly functioning administrative machine. No review of the period covered by my service as Secretary of the Treasury would be complete without reference to the management policies, organizational objectives, personnel programs, and public service ideals to which my efforts have been directed.

It is important to point out that during the entire period of my incumbency I have enjoyed the loyal and efficient support of an outstanding group of officers and employees. No Secretary could have asked for a finer body of men and women upon whom to rely for assistance and organizational improvement, and who so willingly gave of their time and effort to the service of their country. The Treasury Department is most fortunate in having within its ranks a splendid corps of career service employees, many of whom have remained in the employ of their Government largely because of a fine spirit of genuine public service. To the many thousands of Treasury employees go my sincere thanks and praise for their excellent work and devotion to their jobs during my tenure. I know that they can be relied upon by future Secretaries to give continuity and strength to all of the many diversified Treasury activities.

#### PERSONNEL POLICY

As an unqualified advocate of civil service principles, I have sought at all times to foster a personnel policy that would guarantee the efficient conduct of public affairs, reward meritorious service and insure just and equitable treatment of all employees. Realizing fully that the efficient employee is the man or woman who is healthy, well-adjusted and happy in his work a special effort has been made to improve the working conditions in the Treasury Department. We have actively encouraged an adequate health program for Treasury employees and given every support to the United States Public Health Service in its maintenance in the Department of 14 well-equipped health units with 5 doctors and 38 nurses to attend the 25,000 Treasury workers in Washington. In Treasury offices throughout the United States emergency rooms are located wherever there are large numbers of employees.

New eating facilities have been provided in Treasury buildings in Washington, including an attractive cafeteria in the Main Treasury Building and improved units in our Procurement Division and Auditors Building. Programs to help employees in obtaining housing, day care for their children, and opportunities for recreation have been encouraged. Steady progress has been made in providing rest periods, proper lighting, air conditioning, and pleasant working surroundings.

Employee organizations in the Treasury have received unfailing support. The Treasury Credit Union, a part of the system I helped create earlier in the Farm Credit Administration, has loaned \$1½ million to Treasury employees since its organization in 1935. The Department's Welfare Association was organized in 1935 "for the mutual benefit and improvement of the employees of the Treasury Department." In addition, the Bureau of Internal Revenue has long maintained a splendid welfare organization. The Red Cross Unit of the Treasury was



founded in 1940 and has an outstanding record of accomplishment in the donation of blood and in equipping recreational units in hospitals and military camps.

Perhaps my basic policy on employee relations was best expressed at a meeting of Treasury personnel officers in January of this year when I said, "Through constant realization by everyone that all Treasury employees are human beings, the efficiency of our work will be improved." This emphasis on good working conditions and sympathetic understanding of the problems of employees has been responsible for the high morale and efficiency of Treasury personnel.

Indicative of the success of our personnel policy and of the attention given to the problem of keeping employees on their jobs is the fact that the Treasury, though an organization of over 97,000 employees, has one of the lowest separation and turnover rates of any Federal agency.

The Department has received the commendation of the Congress and the military establishments for its very rigid policy on draft deferments. Feeling as I did that nothing, however important in a peacetime or domestic activity, should be permitted to impede the development of a fighting field force, I personally reviewed every request for military deferment submitted on Treasury employees. When the last report was made to Congress we had outstanding only eight deferments and all of them were of a temporary nature. Today, there are no men under thirty years of age in the Treasury Department holding a deferred status. We feel that this solid position symbolizes the Treasury's consistent policy of doing everything possible to speed the winning of the war.

Treasury men leaving the Department for military service number 10,760. Many of these men, because of their training and past Treasury experience, have rendered highly specialized technical assistance and leadership to the armed forces. In combat duty 107 former Treasury employees have given their lives.

#### ORGANIZATIONAL DEVELOPMENT

It has been a vitally important and challenging task to build, maintain and improve an organization capable of discharging the ever-increasing volume of work borne by the Treasury Department. Through the years of my secretaryship I constantly endeavored to stimulate an active team spirit and to achieve a harmonious balance between the separate activities of the Department. In appraising the organization I repeatedly asked the question, "Is this good government?"

During the past twelve years many changes were made with a view toward strengthening and coordinating the work of the Department. Every branch of the organization was subjected to unceasing study and from these constructive efforts have come substantial benefits in the form of better service and lower costs.

In 1940 the Congress approved a recommendation that there be created a permanent Fiscal Service within the Treasury. The change brought together under career leadership three key bureaus administering policies in the fiscal field. This grouping of the Bureau of Accounts, the Bureau of Public Debt, and the Office of the Treasurer of the United States under a Fiscal Assistant Secretary achieved a highly desirable functional integration.

As has been mentioned in the preceding section on taxation we greatly improved our service to the taxpaying public through the decentralization of a large portion of the work of the Bureau of Internal Revenue. The establishment of these field offices throughout the country resulted in material savings in time and money, both to the Government and to the citizens having taxation business with us. More recently we have undertaken the decentralization of a portion of the Bureau of Internal Revenue's legal staff in order to insure the rapid and exacting enforcement of the revenue statutes. To cope with its war-expanded activities, the Bureau's personnel was increased from 22,400 in 1940 to almost 50,000 in 1945. It is today, however, greatly understaffed and has been depleted of experienced personnel, over 5,000 of its employees having entered the armed forces. The ability of the Bureau to carry on under these circumstances is testimony to the effectiveness of the organization which had been developed prior to the war. The nation should realize, however, that as the war draws to a close the Bureau of Internal Revenue confronts a large unfinished task and should be strengthened as rapidly as circumstances permit. During the closing weeks of my secretaryship there was launched a general expansion program aimed at increasing the staff by 11,000 employees.

Treasury's position as the largest financial institution in the world creates the need for highly skilled technical research talent if the perplexing problems of public finance are to be intelligently solved. This need led me to develop within

the Treasury an expert staff of research economists and monetary authorities whose work covers the entire field of domestic and international finance. The work of these economic scientists has been an invaluable aid in charting the path of this Government's management of its financial affairs and in meeting its international responsibilities.

During the course of my administration the Treasury's bureaus and offices engaged in law enforcement activities were drawn into a coordinated pattern of operation to insure militant enforcing of the Federal laws administered by the Department. Concentrated campaigns were organized as the need arose to control, under the law, traffic in alcohol, smuggling in violation of the Customs statutes, illicit narcotics transactions, counterfeiting, and fraudulent evasion of income tax laws. The success of these drives is a matter of public record.

Concurrently with the over-all expansion of the Bureau of Internal Revenue, its law enforcement machinery is being overhauled for a full-scale attack on war-time tax evaders. Preliminary investigations of black market activities and increases in currency circulation indicated an alarming disrespect for the common obligation of supporting the tax laws. We have now under way a comprehensive program designed to uncover and bring to book those who would defraud their Government and their fellow citizens by tax evasion.

President Truman has given his full support to enlarging the internal revenue staff to insure full compliance with the law, and the Appropriations Committees of the Congress have approved the intention of the Treasury to accelerate its rate of expenditures to recruit the necessary personnel.

As in all of its law enforcement drives, the Treasury seeks to stimulate the public's respect for Federal law and cooperative assistance by pointing to the stake which the honest taxpayer has in this effort. This public participation has been fostered by such educational programs as that carried on by the Secret Service Division entitled, "Know Your Money".

As a service agency, the Treasury has been called upon during the past twelve years to perform enormous new tasks requiring the enlargement of existing organizations and the creation of new units. It is a tribute to the flexibility and capacity of the Department that it took and performed admirably each new assignment given it. For example, in 1935 President Roosevelt placed upon this Department the responsibility for purchasing materials and equipment, disbursing funds and exercising accounting controls for the emergency relief and work relief programs, involving \$15 billion. During the pre-war period our Procurement Division purchased and stock-piled strategic and critical materials amounting to more than \$48 million. With the inception of the lend-lease and UNRRA programs our Procurement Division was called upon to buy an unprecedented volume of goods to aid our Allies. Through June 30 of this year the Division had purchased more than \$5 billion of lend-lease goods, and over \$100 million of United Nations Relief and Rehabilitation supplies.

#### PROCEDURAL IMPROVEMENTS

In any large organization such as the Treasury millions of repetitive operations must be performed. The magnitude and sheer physical volume of Treasury business can best be visualized in the following figures drawn from the last fiscal year of my service. During the year there passed through the Treasurer's money accounts more than \$500 billion of receipts and disbursements, including public debt and currency transactions. This is at the rate of \$1½ billion for every working day of the year. The Division of Disbursement issued nearly 82 million checks, amounting to over \$19 billion. All told, the Treasurer of the United States paid over 332 million checks involving \$189 billion. Our Bureau of Engraving and Printing produced 1.7 billion pieces of currency, bonds, notes, certificates, and bills, representing a money value of \$245 billion. The Bureau of the Mint manufactured 2.6 billion separate domestic coins, representing a money value of nearly \$125 million, and 1.4 billion individual foreign coins. These data, it will be observed, represent only a partial picture of those functions involving the handling of money and securities. In addition there were voluminous transactions necessary to the functions of the Bureau of Customs, Foreign Funds Control, and the Bureaus of Public Debt and Internal Revenue.

In carrying out fiscal operations involving huge sums of public monies, I have been guided by three fundamental procedural principles: (1) The maintenance of adequate controls over the funds and securities at a minimum of administrative expense; (2) prompt and courteous service to taxpayers, public creditors, and others with whom the Treasury does business; and (3) a full and complete disclosure for the Congress and the nation of the financial operations of our Government.

With these principles in mind, we have constantly reviewed Treasury operations. In a sense, many of our jobs are mass production enterprises where the saving of small fractions of cents on each unit of work results in a significant cumulative total. Thus, the Treasury is continually studying processes of streamlining and simplifying its methods in order to reduce these unit costs. Illustrative of progress resulting from this constructive work is the change to a mechanical and decentralized procedure for paying Government checks. From this change alone the savings thus far have amounted to more than \$2 million annually. Comparable savings have been brought about through such things as the reduction in the size of war savings bonds and the improvement of manufacturing processes in our Bureau of the Mint.

In connection with the pay-as-you-go system for collecting income taxes on salaries and wages at the source, the Congress approved the Treasury's request for authority to establish a special depository system for these withheld taxes. This procedure permits the employers to deposit monthly, in designated depository banks, the taxes collected during the month. This money is promptly remitted to the Federal Reserve Banks, thus making these funds available to the Treasury on a more current basis with a resultant saving in interest charges that would otherwise accrue.

Similarly, Congress approved Treasury's proposal for carrying its own insurance on shipments of securities, currency, coin and other valuables. The savings to the taxpayers resulting from this legislation have already exceeded \$12 million.

We have made it a departmental policy to encourage all employees to critically appraise their jobs with a steady view toward conserving time and equipment, avoiding waste, and improving in every way Treasury's operating practices.

#### RECOMMENDATIONS ON FISCAL ADMINISTRATION

The task of improving our organization and adapting it to the changing demands of growth and development is a never-ending one. It is for this reason that I am summarizing below recommendations that I have made with a view toward strengthening Federal fiscal management. Much progress has been made, but much remains to be done if the Treasury is to assume the challenging responsibilities which lie ahead. We have come a long way in the past 12 years in developing the thesis that the Federal Government's monetary force should be a dynamic and useful instrument in improving the total national well-being. We have endeavored to create an organization dedicated to this objective. The job is not finished. The foreseeable post-war tasks of this Department may well be even more challenging and intricate than those that confronted us during my period of service in Treasury. My recommendations are offered as constructive suggestions drawn from experience as the Treasury Secretary.

As mentioned in the preceding section on taxation, in 1939 I suggested that if the Ways and Means and Appropriations Committees of the House, and the Finance and Appropriations Committees of the Senate, would meet each session as one joint committee on fiscal policy to consider the over-all aspects of the expenditures and revenue program, simplification and greater effectiveness would result. By providing for preliminary legislative consideration of the over-all picture of appropriations and revenue measures, Congress would be given a broad perspective of the state of the Government's finances and permit a better ordered coordination by the executive and legislative branches in this field.

This joint committee would, in effect, be a lens through which all appropriation and revenue measures could be viewed in relationship both to what the nation needs and to what the nation can afford. The committee should have continuous life for the purpose of actively studying fiscal programs between as well as during sessions of Congress; and the Treasury Department, would, of course, cooperate in the work to the full extent that the committee should desire.

As an aid to the joint committee in performing its work I believe it would be helpful if the Treasury Department were to submit a comprehensive financial statement periodically, showing the Government's financial operations and condition. Further, officials of the Treasury Department should be called before the committee to explain the significance of the figures, their implications, and their relation to the estimates contained in the approved budgetary program. This procedure would be an extension of the existing procedure inaugurated in 1941 whereby financial statements are submitted quarterly to the House Appropriations Committee for publication in the Congressional Record.

Informative fiscal accounts are a primary essential to intelligent understanding of Government. They are not only important tools of management but are also the prime conservator of the public funds against waste and graft. Beginning with



the year 1934, the Treasury has published regularly in the daily Treasury statement a monthly financial record showing the assets and liabilities of the various corporations in which the Government has a financial interest, and in 1939 I made a report to the Senate embodying the principles contained in the pending legislation dealing with the audit control of Government corporations. Much can be done to simplify the financial structures of Government-owned corporate activities, and make more lucid the public reports covering their finances.

To me, the outstanding weakness in the management of Federal fiscal business is the absence of a single, responsible officer to whom the President may look for complete and comprehensive policy direction over the entire field of borrowing, lending, spending and insuring. During the period of my secretaryship it has become increasingly apparent that the many segments of important financial activity that are managed administratively by agencies other than Treasury should be drawn together for purposes of policy coordination. Since the Treasury Secretary is charged with the responsibility for raising the funds, managing the public debt, collecting the taxes, maintaining the accounts, and reporting to Congress on the financial condition of the nation, he is identified as the Chief Fiscal Officer. Yet, in actual practice the area of control and influence exercised by the Secretary of the Treasury is largely limited to one side of the ledger. He is not in a position to exert proper influence over the use and disposition of the funds he must raise and account for to the nation. This weakness is a material handicap to the functioning of the Treasury Department and, moreover, to the orderly and unified conduct of this Government's financial affairs.

No Secretary of the Treasury can properly serve the Chief Executive, the Congress and the American people during the trying post-war period of international rehabilitation and domestic reconversion without maintaining a balanced policy over both sides of the Federal ledger. In 1933 President Roosevelt adopted my recommendation that all of the agencies engaged in lending to farmers be consolidated into a Farm Credit Administration. The success of this merger speaks for itself. Based on this experience as Governor of the Farm Credit Administration, and on my years as Secretary of the Treasury, I recently recommended a reorganization program aimed at the unification and correlation of related functions in the entire area of Federal fiscal activity.

Generally, I proposed that Treasury's influence be extended to embrace these areas:

A. Policy control and correlation of programs relating to banking, insurance, lending, and borrowing, now spread principally in the Departments of Agriculture, Interior and Post Office (postal savings), the Federal Loan Agency, the National Housing Agency, and the Federal Deposit Insurance Corporation.

B. Policy influence with respect to the money and credit markets of the country, typified by activities of the Board of Governors of the Federal Reserve System, the Federal Open Market Committee, and the Securities and Exchange Commission.

C. Policy direction over Federal revenue and expenditures typified by the President's budget and proposed legislation submitted to the Congress from the standpoint of a unified fiscal program.

The plan for accomplishing the necessary degree of integration in this area of fiscal management contemplated first the establishment of a National Committee for Fiscal Affairs chairmanned by the Secretary of the Treasury and composed of representatives from each of eight subcommittees covering these fields: (1) Industrial Finance. (2) Agricultural Finance. (3) Foreign Finance. (4) Maritime Finance. (5) Money and Credit. (6) Housing Finance. (7) Public Works Finance. (8) Federal Budget.

Thus, the Secretary of the Treasury would be in a position to oversee the fiscal programming of all constituent organizations without disturbing the basic corporate patterns, regulatory and insuring controls or operational practices of such agencies. The work and investigation of the top policy committee would no doubt demonstrate the necessity for rather far-reaching, basic organizational changes. It seems likely that many of the corporate organizations, while necessary at their inception, could now be dissolved and their functions woven into those of the existing executive departments. Personally, I feel that experience has demonstrated the desirability of returning to the Treasury Department the responsibility for preparing and submitting the President's budget. I believe that time will prove that the wise course for the Congress to pursue is to place the responsibility for financial planning and expenditure control squarely upon the shoulders of the Secretary of the Treasury.

The need for welding together the separate parts of the Federal fiscal program is great today and will assume even more importance after the war when the



preservation of delicate balances between taxation, borrowing, spending, and lending will be essential to a healthy internal economy and to the fulfilling of our international responsibilities. Further consideration of these recommendations may be an aid in equipping the Treasury for the role of a master coordinator on all of the Federal fiscal policies.

### IN CONCLUSION

This report would be incomplete if I did not touch upon the Treasury's interest in the problems of lasting peace and post-war reconversion.

The tax bill of the American public after this war, the burden imposed on the taxpayer by that tax bill and the soundness of this nation's whole public debt structure will be affected in a major way by the degree of success we achieve in solving the problems of lasting peace and full employment. The policies of the Treasury Department in the fiscal field are therefore inexorably affected by what is done in these fields.

Specifically, if the end of this war finds a world torn with fear and suspicion—with nations doubtful of the real intentions of other nations—this country and other countries will be compelled to seek security through the maintenance of a huge military establishment. The huge dollar cost of dependence upon this kind of armed security would be reflected in the taxpayer's tax bill and in a drain on our national economy.

The grim appreciation of this fact has intensified my concern for the success of the Bretton Woods program for international economic cooperation and the formulation of an effective program for preventing Germany and Japan from fomenting another war.

On the domestic front, the direction taken by this country in the post-war reconversion period will affect profoundly our whole tax and public debt structure.

If reconversion ushers in a period of stagnant unemployment, retrenchment and an economy of scarcity, the cost of government will bear heavily on the depleted income of the taxpayer regardless of tax rates. With a withering national income, tax receipts will fall. These problems will be intensified by the task of servicing our huge national debt growing out of this war.

In short, industry, agriculture, labor and government together must take bold and positive measures to meet the problems of reconversion.

On the other hand, the cost of government—including the servicing of our public debt—can be met with substantially lower taxes if incomes are high and business is good. Incomes will be high and business will be good if this country undertakes a speedy post-war reconversion accompanied by intelligent protection for the wage-earners' pay envelopes, stability in farm prices and reasonable profits for business. Such a program calls for a high order of statesmanship on the part of our industrial and financial leaders. A great responsibility falls upon them.

Fiscal policy is clearly capable of being utilized as one of the effective instruments for the promotion of full employment in the post-war period. Our primary objective should be to make it possible for our people to purchase the full amount of goods and services which our economy is capable of producing. I do not consider this objective incompatible with that of encouraging the largest possible volume of private investment in industry. On the contrary, I believe that the two objectives go together and that neither can be achieved without the other. Consumer demand is the motivating force of private industry and lays the basis for profitable private investment.

In the long and sometimes trying years during which I have held stewardship over the financial affairs of this Nation, I have leaned very heavily upon the support and the inspiration of the great President under whom I served—Franklin D. Roosevelt. It was President Roosevelt who gave me the opportunity to serve. It was President Roosevelt's confidence which enabled me to carry through the policies which have governed our fiscal affairs through the crisis years of the great depression and the greatest of World Wars. I could not take leave of my stewardship without an expression of my gratitude to and affection for him.

There are bright horizons before us. Under the leadership of President Truman, we can move toward them, if we will, in the new national unity forged for us by war. We can move toward, and beyond, them with the sure confidence of a free people who have found in the ways of freedom a pattern for the solution of whatever problems may confront them.

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

To the PRESIDENT OF THE SENATE

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES

## MISCELLANEOUS

## Exhibit 52

*Treasury Department orders relating to organization and procedure*

## TREASURY DEPARTMENT ORDER No. 54, NOVEMBER 29, 1944

Effective December 1, 1944, the following reassignments are hereby ordered:

The Bureau of Internal Revenue will operate under the general supervision of the General Counsel.

The General Counsel will be the legislative representative for the Department in all matters, including tax matters. The Tax Legislative Counsel will be responsible to the General Counsel.

The Director of Tax Research will report direct to the Secretary and will be in general charge of Treasury tax policy and its formulation. He will have the duty of preparing for the Secretary tax programs, tax statements, and tax information. He will continue as in the past to work with congressional tax committees and to speak for the Treasury in the day by day work of such committees in the absence of the General Counsel.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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TREASURY DEPARTMENT ORDER No. 55, NOVEMBER 29, 1944<sup>1</sup>

Effective immediately, the Procurement Division, including the Office of Procurement and the Office of Surplus Property, is assigned to the supervision of Mr. John W. Pehle, Assistant to the Secretary.

Treasury Department Order No. 53, dated June 7, 1944, is revoked and superseded by this order.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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TREASURY DEPARTMENT ORDER No. 56, DECEMBER 1, 1944<sup>2</sup>

Effective immediately, the Director of Foreign Funds Control will report to Mr. Harry D. White, Assistant to the Secretary.

Treasury Department Order No. 52, dated April 15, 1944, is modified accordingly.

D. W. BELL,  
*Acting Secretary of the Treasury.*

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TREASURY DEPARTMENT ORDER No. 57, JANUARY 30, 1945<sup>3</sup>

I hereby delegate to J. W. Pehle, Assistant to the Secretary, and to such persons as he may designate, all the powers, functions, and duties of the Secretary of the Treasury contained in Procurement Division General Order 3<sup>4</sup> approved by me today. This delegation takes effect immediately.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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## TREASURY DEPARTMENT ORDER No. 58, JANUARY 26, 1945

Effective from and after this date the Division of Monetary Research and Foreign Funds Control will continue under the supervision of Mr. Harry D. White, Assistant Secretary of the Treasury.

Treasury Department Order No. 52, dated April 15, 1944, is superseded, and Order No. 56, dated December 1, 1944, is modified by this order.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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<sup>1</sup> Superseded by Order No. 60, see p. 433.

<sup>2</sup> Modified by Order No. 58, below.

<sup>3</sup> Modified by Order No. 60, see p. 433.

<sup>4</sup> Procurement Division General Order 3 prescribes regulations concerning adjustments of contracts for the sale of surplus property.

## TREASURY DEPARTMENT ORDER NO. 59, MARCH 3, 1945

This order revises, consolidates and enlarges existing Treasury orders pertaining to the Office of the Administrative Assistant to the Secretary. Specifically, Treasury Department Orders 1, 4, 5, 22, 22-A, 31, and 41 are revoked insofar as they may be in conflict with this order, and Treasury Circular No. 244 is amended accordingly.

1. The Administrative Assistant to the Secretary has immediate supervision over the following departmental organizations:

- (a) Division of Personnel.
- (b) Office of Chief Clerk.
- (c) Superintendent of Treasury Buildings.

2. In addition to the authority delegated to and exercised by the Administrative Assistant through the organizations named above, he is responsible for general supervision over all business management activities of the Department except those relating exclusively to the preparation and submission of the departmental budget. Illustrative in this broader responsibility are the following types of business which are subject to the review of the Administrative Assistant.

(a) Leasing, assignment, and management of all space, both Federal and commercial, occupied by Treasury offices in Washington and the field.

(b) Bureau and office organizational changes, including the designation of acting heads of offices.

(c) Correspondence, reports, and other administrative transactions with the Congress and with heads of departments and independent agencies of the Government.

In the exercise of his authority as the Chief Administrative Officer of the Department, the Administrative Assistant may direct such surveys and examinations as he deems necessary to guarantee the efficient operation of the Department's administrative facilities. At his discretion he may conduct management, methods, and employee utilization studies in any branch of the Treasury Department and is authorized to use technical employees from any Treasury office in the making of such studies.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

## TREASURY DEPARTMENT ORDER NO. 60, MAY 21, 1945

Effective immediately, the Procurement Division is assigned to the supervision of Mr. Charles S. Bell, the Administrative Assistant to the Secretary.

Accordingly, Treasury Department Order No. 55, assigning the supervision of the Procurement Division to Mr. John W. Pehle, Assistant to the Secretary, is superseded, and Order No. 57 is modified insofar as it may relate to any activities remaining with the Treasury Department.

H. MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

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Exhibit 53

*An act to authorize certain transactions by disbursing officers of the United States, and for other purposes*

[Public Law 554, 78th Cong., H. R. 5062]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subject to regulations promulgated pursuant to this Act, disbursing officers of the United States are hereby authorized, for official purposes, or for the accommodation of military, naval, and civilian personnel of the United States Government, and personnel of contractors and of authorized nongovernmental agencies operating with the armed forces of the United States, to cash and negotiate checks, drafts, bills of exchange, and other instruments payable in United States and foreign currencies, and to conduct exchange transactions involving United States and foreign currency and coin, checks, drafts, bills of exchange, and other instruments. Any official funds which are held by such disbursing officers and which are available for expenditure may, with the approval of the head of the agency having jurisdiction over such funds, be utilized for this purpose.

SEC. 2. Any gains in the accounts of disbursing officers of the United States resulting from operations permitted by this Act shall be paid into the Treasury as miscellaneous receipts. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to adjust any deficiencies in the accounts of disbursing officers of the United States which may result from such operations.

SEC. 3. The Secretary of the Treasury and, with the concurrence of the Secretary of the Treasury, the heads of other executive departments having jurisdiction over disbursing officers of the United States are hereby authorized respectively to issue such rules and regulations, governing the disbursing officers under their respective jurisdictions, as may be deemed necessary or proper to carry out the purposes of this Act.

SEC. 4. The provisions of this Act shall be effective from and after December 7, 1941, and shall remain in force during the continuance of the present war and for six months after the termination of the war, or until such earlier time as the Congress by concurrent resolution or the President may designate.

Approved December 23, 1944.

### Exhibit 54

*Letter of the Postmaster General to the Secretary of the Treasury certifying extraordinary expenditures contributing to the deficiencies of postal revenues for the fiscal year 1945*

WASHINGTON, D. C., December 7, 1945.

THE HONORABLE THE SECRETARY OF THE TREASURY.

DEAR MR. SECRETARY: Pursuant to the provisions of the act of June 9, 1930 (39 U. S. C. 793), embodied in section 260, Postal Laws and Regulations, the amounts set forth below with respect to certain mailings during the fiscal year ended June 30, 1945, as determined under our present system of estimating, are certified to you in order that they may be separately classified on the books of the Treasury Department:

(a) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privilege, including registry fees:		
Postage.....	\$84,781,507	
Registry fees, including surcharges.....	29,298,822	
		\$114,080,329.00
(b) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by:		
1. Members of Congress under the franking privilege.....	\$1,058,983	
2. By others under the franking privilege.....	21,151	
		1,080,134.00
(c) The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the country.....		
		597,871.00
(d) The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year.....		
		74,770.00
(e) The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage.....		
		365,678.00
(f) The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail.....		
Total.....		116,198,782.00

Sincerely yours,

J. M. DONALDSON,  
Acting Postmaster General.



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## TABLES

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435



## EXPLANATION OF BASES USED IN TABLES

Figures in the following tables are shown on various bases, namely: (1) daily Treasury statements, (2) Public Debt accounts, (3) warrants issued, (4) checks issued, and (5) collections reported by collecting officers.

**Daily Treasury statements.**—The figures shown in the Daily Statement of the United States Treasury are compiled from the latest daily reports received by the Treasurer of the United States from Government depositories and Treasury offices holding Government funds. The daily Treasury statement, therefore, is a current report compiled from latest available information, and, by reason of the promptness with which the information is obtained and made public, it has come into general use as reflecting the financial operations of the Government covering a given period and the condition of the Treasury as it is ascertainable from day to day. This is known as "current cash basis" according to daily Treasury statements. The current assets and liabilities of the Treasurer's accounts are also available on this basis. The figures as shown in current daily Treasury statements are the basis for the Budget estimates of receipts and expenditures, public debt, and condition of the Treasury submitted to Congress by the President.

**Public Debt accounts.**—On account of the distance of some of the Treasury offices and depositories from the Treasury, it is obvious that the reports from all offices covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement. It is not practicable to delay the publication of the daily Treasury statement in order to include the latest reports. It is necessary, therefore, in order to exhibit the actual public debt receipts and expenditures for any given fiscal year, to take into consideration those reports covering the transactions toward the end of the fiscal year concerned which have not been received in the Treasury until the succeeding fiscal year, and to eliminate receipts and expenditures relating to the preceding fiscal year. After taking into consideration these reports the revised figures indicate the status of the public debt on the basis of actual transactions during the period under review as reflected by the Public Debt accounts. This is known as "the basis of Public Debt accounts."

**Warrants issued (receipts).**—Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgment for money received into the Public Treasury shall be valid. The issuance of warrants by the Secretary of the Treasury, as provided by law, represents the formal covering of receipts into the Treasury.

Certificates of deposit covering actual deposits in Treasury offices and depositories, upon which covering warrants are based, cannot reach the Treasury simultaneously, and for that reason all receipts for a fiscal year cannot be covered into the Treasury by warrants of the Secretary immediately upon the close of that fiscal year. It is necessary to have all certificates of deposit before a statement can be issued showing the total receipts for a particular fiscal year on a warrant basis. The figures thus compiled and contained in this report are on a warrants issued basis. Table 2 (p. 444), for years prior to 1916, shows receipts on this basis.

**Warrants issued (expenditures).**—The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury. As the warrants are issued by the Secretary they are charged against the appropriate appropriations provided by law. Some of these warrants do not represent actual payments to claimants, but are merely advances of funds to be placed to the credit of disbursing officers of the Government with the Treasurer of the United States for the payment of Government obligations. The disbursing officer then issues his check on the Treasurer in payment of such obligations. As far as the appropriation accounts are concerned, the warrants issued and charged thereto consti-

tute expenditures, but it will be observed that such expenditures necessarily include unexpended balances to the credit of the disbursing officers.

**Checks issued (expenditures).—**This basis, more than any other, reflects the real expenditures of the Government. Expenditures for a given fiscal year on the basis of checks issued differ from the corresponding figures on the basis of warrants in that the former include expenditures made by disbursing officers from credits granted during the previous fiscal year, and exclude the amount of unexpended balances remaining to their credit at the end of the fiscal year. The basis of checks issued differs from the basis of the daily Treasury statement in that the former includes checks outstanding at the end of the fiscal year, and excludes unpaid checks outstanding at the beginning of the fiscal year. A detailed explanation of the basis of checks issued will be found on page 89 of the Secretary's report for 1927. Table 15 (p. 501) shows expenditures on this basis.

**Collections reported by collecting officers (receipts).—**Statements showing receipts on a collection basis are compiled from reports received by the various administrative offices from collecting officers in the field, such as collectors of internal revenue and collectors of customs. These reports cover the collections actually made by these officers during the period specified. The collections are then deposited in a designated Government depository to the credit of the Treasurer of the United States, which depository renders a report to the Treasurer. The reports of the collecting officers and the depositories do not, of course, coincide, for the reason that the collecting officers make collections during the last few days of the fiscal year which are not deposited until after the close of the fiscal year. On this account the two reports do not agree. The receipts are reported on a collection basis merely for statistical purposes and to furnish information as to detailed sources of revenue. Classification of such items on the basis of deposits has been found to be impracticable and uneconomical. Table 8 (p. 483) shows receipts on a collection basis.

### DESCRIPTION OF ACCOUNTS THROUGH WHICH TREASURY OPERATIONS ARE EFFECTED

All receipts of the Government are covered into the General Fund of the Treasury from which all expenditures are made. Receipts and expenditures, however, are classified in the Treasury's records according to the class of accounts through which operations are effected. Transactions are segregated in order to exhibit separately those effected through general and special accounts, as contrasted with those effected through trust accounts. This classification was first shown for the warrants and checks-issued bases and on the daily Treasury statements beginning with the July 1, 1933, issue, in order to conform to the practice of the Bureau of the Budget. In some tables in this report, however, transactions in the three types of accounts are combined for purposes of historical comparison. A brief general explanation of the three classes of accounts is presented below.

**General accounts.**—The principal sources of general account receipts are income taxes, miscellaneous internal revenue, social security taxes, taxes upon carriers and their employees, and customs duties. In addition, a large number of miscellaneous receipts come under this head, including such items as proceeds of Government-owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property, Panama Canal tolls, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, seigniorage on coinage of subsidiary silver and minor coins, etc. Moneys represented in the general accounts may be withdrawn from the Treasury only in pursuance of appropriations made by Congress. There are five classes of appropriations payable through the general accounts of the Treasury, namely: (a) Annual, being those which are available for incurring obligations only during a specified fiscal year; (b) multiple-year, being those which are available for incurring obligations for a definite period in excess of one fiscal year; (c) continuing (no year), being available for incurring obligations until exhausted or until the object for which appropriated has been accomplished; (d) permanent-specific, being fixed amounts provided for each of a series of years by permanent legislation, without annual action of Congress; and (e) permanent-indefinite, being indefinite amounts (so much as may be necessary) provided by permanent legislation without annual action of Congress, such as the indefinite appropriation to cover interest on the public debt.

A statement of general account receipts and expenditures is, therefore, in the nature of a general operating statement, and gives a picture of the relationship



between the general revenues of the Government and the operating expenditures (including capital outlays and fixed charges) chargeable against them.

**Special accounts.**—Special account receipts may be generally defined as funds received under special authorizations of law which may be expended only for the particular purposes specified therein. Special account receipts may not be used for the general expenditures of the Government. The more important items of receipts included under this heading, from the standpoint of amounts other than those applicable to the retirement of the public debt are the reclamation fund and receipts under the Mineral Leasing Act under the Department of the Interior, the national forest funds under the Department of Agriculture, war contributions, and deposits for defense aid under lend-lease legislation. There are many other special account receipts of lesser importance.

**Trust accounts.**—Trust account receipts represent moneys received by the Government for the benefit of individuals or classes of individuals and are used for purposes specified in the trust. Moneys held in trust, being payable to or for the use of beneficiaries only, are not available for general expenditures of the Government. There are several classes of trust account receipts, the beneficiaries under which may be either individuals or groups of individuals. The accounts may represent (a) moneys received directly from or for account of individuals, as in the case of moneys received from foreign governments or other sources in trust for citizens of the United States or others under the act of February 27, 1896; (b) moneys collected as revenues and held in trust, such as the proceeds of sales of Indian lands which are held as interest-bearing funds for the benefit of Indian tribes; (c) proceeds of grants from the general accounts of the Treasury in pursuance of treaty or other obligations such as the perpetual trust fund created for the Ute Indians under section 5 of the act of June 15, 1880; (d) deposits, donations, or contributions for specified purposes, such as funds received for the purchase of lands in the national parks; and (e) deposits to be held until appropriate disposition thereof can be made, such as proceeds from the redemption of bonds found and whose owners are unknown.

**Checking accounts of Government corporations.**—The manner in which certain checking accounts of Government corporations are handled in the daily statement of the Treasury was explained in the announcement appearing on page 347 of the annual report for 1938.

# RECEIPTS AND EXPENDITURES Summary tables on receipts and expenditures

TABLE 1.—*Summary of receipts and expenditures, fiscal years 1932 through 1945 and monthly during the fiscal year 1945*

[On basis of daily Treasury statements, see p. 437]

## PART A. GENERAL AND SPECIAL ACCOUNTS

Period	Receipts					Net receipts
	Internal revenue	Customs	Other	Total receipts	Deduct: Net transfers to Federal old-age and survivors insurance trust fund <sup>1</sup>	
<b>By fiscal years:</b>						
1932.....	\$1,561,006,334.38	\$327,754,969.12	\$116,964,133.64	\$2,005,725,437.14	-----	\$2,005,725,437.14
1933.....	1,604,423,956.56	250,750,251.27	224,522,533.93	2,079,696,741.76	-----	2,079,696,741.76
1934.....	2,640,603,828.30	313,434,302.19	161,515,919.04	3,115,554,049.53	-----	3,115,554,049.53
1935.....	3,277,690,027.82	343,353,093.66	179,424,140.58	3,800,467,201.96	-----	3,800,467,201.96
1936.....	3,512,851,608.15	386,811,593.69	216,293,413.29	4,115,956,615.13	-----	4,115,956,615.13
1937.....	4,597,140,102.49	486,356,593.90	210,343,533.48	5,293,840,236.87	-----	5,028,840,236.87
1938.....	5,674,318,436.66	359,187,249.57	208,155,540.76	6,241,661,226.99	-----	5,854,661,226.99
1939.....	5,161,220,846.63	318,837,311.27	187,765,467.69	5,667,823,625.59	-----	5,164,823,625.59
1940.....	5,303,133,988.29	348,590,635.21	273,111,779.26	5,924,836,402.76	-----	5,357,124,669.76
1941.....	7,361,674,982.23	391,870,013.27	514,967,590.00	8,268,512,585.50	-----	7,607,211,852.08
1942.....	12,993,117,887.52	388,948,426.88	285,848,509.44	13,667,914,823.84	-----	12,799,061,621.02
1943.....	22,143,968,999.28	324,290,778.06	1,916,385,725.20	23,384,645,502.54	-----	22,281,642,709.24
1944.....	41,684,987,330.27	431,252,168.24	* 3,292,202,529.49	45,408,442,028.00	-----	44,148,928,968.07
1945.....	43,902,001,928.64	354,775,541.50	* 3,482,746,869.42	47,739,524,339.56	-----	46,456,554,579.71
<b>By months:</b>						
1944—July.....	1,984,646,143.79	28,145,385.53	199,249,030.48	2,212,040,559.80	49,313,947.36	2,162,726,612.44
August.....	2,702,486,068.58	22,718,904.46	133,957,422.55	2,859,162,395.59	290,841,584.80	2,568,320,810.99
September.....	5,748,984,701.95	25,099,112.75	153,029,898.95	5,927,113,713.65	1,377,073.14	5,925,736,640.51
October.....	1,880,475,859.52	28,617,630.17	143,177,612.13	2,051,271,401.82	53,558,240.18	2,000,713,161.64
November.....	2,300,369,710.17	27,193,521.65	178,151,423.37	2,506,714,655.19	263,470,501.83	2,240,244,153.36
December.....	4,945,456,708.61	28,382,801.87	444,389,026.67	5,418,458,537.15	2,104,523.81	5,416,354,013.34
1945—January.....	3,042,477,029.22	36,004,008.41	508,817,328.58	3,587,298,366.21	30,968,646.71	3,556,329,719.50
February.....	3,814,557,322.69	23,412,571.34	148,551,665.32	3,986,521,559.35	219,748,892.84	3,766,772,666.51
March.....	6,431,321,043.04	32,642,211.61	443,622,379.24	6,907,585,633.89	15,333,238.13	6,892,252,395.76
April.....	2,745,866,538.27	33,142,849.66	188,374,952.58	2,967,384,340.51	38,786,826.13	2,928,597,514.38
May.....	2,920,937,475.25	35,874,020.82	441,024,539.73	3,397,836,035.80	313,234,973.82	3,084,591,061.98
June.....	5,384,293,327.55	33,342,223.23	498,401,589.82	5,916,137,140.60	2,221,305.30	5,913,915,835.30

Period	Expenditures					Statutory debt retirements (sinking fund, etc.)	Total expenditures, including debt retirements	Excess of expenditures including debt retirements	Excess of expenditures excluding debt retirements
	General	War activities	Revolving funds (net)	Transfers to trust accounts, etc. <sup>4</sup>	Total expenditures, excluding debt retirements				
By fiscal years:									
1932.....	\$3,499,048,548.89	\$753,166,387.24	\$61,867,202.03	\$221,065,000.00	\$4,535,147,138.16	\$412,629,750.00	\$4,947,776,888.16	\$2,942,051,451.02	\$2,520,421,701.02
1933.....	2,988,779,846.72	679,694,732.58	73,804,343.13	121,266,000.00	3,863,544,922.43	461,604,800.00	4,325,149,722.43	2,245,452,980.67	1,783,848,180.67
1934.....	4,913,627,176.68	590,744,983.70	495,668,393.88	71,142,700.00	6,011,083,254.12	359,864,092.90	6,370,947,347.02	3,255,393,297.49	2,895,529,204.59
1935.....	5,905,015,737.63	688,521,488.67	345,328,985.37	71,003,100.00	7,009,875,311.72	573,558,250.00	7,583,433,561.72	3,782,936,359.76	3,209,498,201.76
1936.....	6,940,969,107.77	999,510,200.00	11,011,182.19	1,814,154,931.72	8,665,448,755.61	403,240,150.00	9,068,688,571.68	4,952,928,956.55	4,549,688,800.55
1937.....	6,441,508,362.08	928,963,909.90	203,535,759.04	603,400,724.68	8,177,408,755.70	103,971,200.00	8,281,379,955.70	3,252,539,718.83	3,148,568,518.83
1938.....	6,869,408,925.28	1,028,803,375.04	120,952,670.86	219,657,587.18	7,238,822,158.36	65,494,950.00	7,304,317,108.36	1,449,625,881.37	1,384,160,931.37
1939.....	7,226,362,190.48	1,206,081,773.86	92,453,895.38	182,204,012.82	8,639,491,580.54	58,246,450.00	8,767,338,030.54	3,600,514,404.95	3,542,267,954.95
1940.....	7,061,083,960.03	1,667,432,455.90	35,918,945.04	331,173,957.25	9,129,189,823.97	129,184,100.00	9,258,373,923.97	3,740,249,136.71	3,611,065,036.71
1941.....	6,214,698,804.75	6,301,043,165.91	36,286,103.94	380,899,986.65	12,712,629,823.97	64,260,500.00	12,776,884,323.97	5,167,678,471.89	5,103,417,971.89
1942.....	5,986,225,630.43	26,011,065,089.39	18,394,391.22	380,899,986.65	32,396,585,097.69	94,722,300.00	32,491,307,397.69	19,692,245,776.67	19,597,523,476.67
1943.....	5,695,219,090.49	72,108,802,204.06	39,738,924.15	435,065,022.17	78,178,885,240.87	3,463,400.00	78,182,348,640.87	55,900,705,931.63	55,897,242,631.63
1944.....	6,187,705,998.64	87,038,671,937.86	38,974,953.65	556,110,230.99	93,743,513,213.84	1,650.00	93,745,163,863.84	49,594,587,895.77	49,594,586,245.77
1945.....	8,750,503,705.77	90,029,145,512.84	20,812,905.00	1,645,738,371.93	100,404,594,685.54	2,000.00	100,406,596,685.54	53,948,042,105.83	53,948,040,105.83
By months:									
1944—July.....	457,933,110.28	7,200,827,654.21	61,064.02	451,102,618.33	8,109,802,318.80		8,109,802,318.80	5,947,075,706.36	5,947,075,706.36
August.....	492,082,111.95	7,570,779,416.63	680,783.33	56,827,744.94	8,119,208,490.19		8,119,208,490.19	5,550,887,679.20	5,550,887,679.20
September.....	911,188,219.40	6,987,921,970.82	1,103,099.11	21,745,949.10	7,929,752,530.21		7,929,752,530.21	2,004,015,889.70	2,004,015,889.70
October.....	490,753,797.72	7,478,651,386.89	1,341,909.55	46,979,332.24	8,024,042,607.30		8,024,042,607.30	6,023,329,445.66	6,023,329,445.66
November.....	411,634,869.67	7,400,782,821.70	2,930,917.36	18,109,903.97	7,827,656,677.98		7,827,656,677.98	3,587,412,524.62	3,587,412,524.62
December.....	594,973,571.20	7,502,862,604.51	7,733,469.34	21,584,797.42	8,415,687,503.78	500.00	8,415,688,003.79	2,999,333,396.45	2,999,333,396.45
1945—January.....	584,970,315.32	7,530,975,694.61	3,599,532.25	69,364,701.10	8,419,113,880.80		8,419,113,880.80	4,645,381,439.30	4,645,381,439.30
February.....	464,773,246.38	6,948,395,735.17	1,357,311.57	48,102,695.79	7,459,914,426.17		7,459,914,426.17	3,693,141,759.66	3,693,141,759.66
March.....	1,142,553,501.34	8,245,939,462.59	826,575.72	45,032,942.70	9,432,699,330.91		9,432,699,330.91	2,540,446,935.15	2,540,446,935.15
April.....	593,993,089.99	7,138,858,441.23	469,764.83	235,895,962.53	7,968,281,328.92		7,968,281,328.92	5,039,683,814.54	5,039,683,814.54
May.....	828,584,061.76	8,155,892,930.80	6,214,557.39	296,361,995.44	9,274,624,430.61		9,274,624,430.61	6,190,033,368.63	6,190,033,368.63
June.....	1,465,003,210.36	7,837,257,333.68	1,303,809.45	334,649,728.37	9,641,213,881.86	1,500.00	9,641,215,381.86	3,727,299,546.56	3,727,298,046.56

<sup>a</sup> Excess of credits (deduct).

<sup>1</sup> Figures beginning with the fiscal year 1937 through Dec. 31, 1939, include amounts formerly classified as expenditures under transfers to trust accounts, etc., for the old-age reserve account which was thereafter designated as the "Federal old-age and survivors insurance trust fund." Figures for 1940 through 1945 are exclusive of reimbursements from the trust fund to the General Fund for administrative expenses as provided under Sec. 201 (f) of the Social Security Act Amendments of 1939.

<sup>2</sup> Includes deposits resulting from the renegotiation of war contracts. Information re-

garding the amount of such deposits is not available on the basis of daily Treasury statements. On the basis of covering warrants such deposits totaled \$558,223,780.23 for 1943; \$2,235,383,011.57 for 1944; and \$2,040,925,653.37 for 1945. The foregoing coverings include so-called voluntary returns.

<sup>3</sup> Expenditures for war activities by Reconstruction Finance Corporation and affiliates are reflected in "Transactions in checking accounts of Government agencies, etc. (net)." <sup>4</sup> Federal contribution to District of Columbia (United States share) included in "Transfers to trust accounts, etc." beginning with fiscal year 1941.

TABLE 1.—Summary of receipts and expenditures, fiscal years 1932 through 1945 and monthly during the fiscal year 1945—Continued

## PART B. TRUST ACCOUNTS, ETC.

By fiscal years:	Period*	Receipts					Total receipts
		Federal old-age and survivors insurance trust fund <sup>6</sup>	Unemployment trust fund	Railroad retirement account	Other trust funds and accounts	Increment resulting from reduction in weight of gold dollar	
1932	July				\$331,259,630.12		\$381,259,630.12
1933	August				280,075,438.80		280,075,438.80
1934	September				233,472,590.63		3,044,818,347.35
1935	October				300,819,334.35		442,668,795.45
1936	November				2,053,132,867.22	\$2,811,375,756.72	2,218,656,168.75
1937	December	\$267,261,810.97	\$18,949,421.44		857,521,545.82	784,464.60	1,460,680,339.82
1938	January	402,412,232.89	762,832,518.88	\$147,813,409.10	322,527,677.06	1,676,187.53	1,727,031,993.30
1939	February	523,051,051.81	838,087,109.99	109,299,289.54	339,275,703.83	1,094,842.97	1,719,422,175.09
1940	March	580,200,560.85	958,639,162.80	122,932,516.39	408,367,711.86	481,398.61	2,637,845,261.33
1941	April	717,259,011.54	1,113,922,996.42	126,833,857.53	650,189,937.33	398,606.27	3,190,884,099.71
1942	May	939,859,765.05	1,243,587,217.14	143,993,058.91	849,563,668.54	298,559.69	3,926,252,842.21
1943	June	1,190,405,815.78	1,398,524,159.64	220,577,849.34	1,116,503,287.51	241,729.91	5,052,721,588.47
1944	July	1,362,692,147.02	1,599,909,432.26	272,557,049.21	1,850,391,368.88	171,591.10	6,708,610,910.39
1945	August	1,406,823,758.00	1,507,756,604.10	324,057,493.19	4,319,852,766.02	120,289.08	
1944—July	September	49,317,615.84	50,794,868.30	204,833,438.36	415,355,436.59	9,709.73	720,311,068.82
1944—August	October	290,841,584.60	294,699,185.66	48,410.96	215,935,349.32	14,707.60	801,539,238.14
1944—September	November	5,691,516.16	36,674,018.20	75,945.21	161,573,983.75	10,854.11	203,426,417.43
1944—October	December	53,558,240.18	58,179,081.14	34,103,972.00	206,110,983.11	6,055.04	351,958,338.07
1944—November	January	263,470,561.83	38,207,942.04	143,013.70	224,930,472.12	10,024.75	743,969,034.53
1944—December	February	4,634,828.72	98,462,783.15	158,219.18	181,845,710.06	6,496.80	224,853,196.80
1945—January	March	35,906,346.39	212,474,162.50	34,702,438.36	251,110,759.02	11,619.92	420,193,947.44
1945—February	April	219,748,892.84	42,622,638.61	251,424.66	250,208,678.84	7,020.38	682,730,535.38
1945—March	May	23,006,200.78	47,311,610.94	35,792,931.51	411,740,050.81	8,914.87	336,379,619.21
1945—April	June	38,786,826.13	278,193,818.73	35,322,520.55	529,558,049.83	15,212.45	533,676,531.74
1945—May		313,241,973.82	96,691,472.70	13,393,397.28	6,700,932,815.68	11,438.08	1,121,327,598.38
1945—June		107,216,230.71					6,918,245,351.45



Period	Expenditures <sup>7</sup>					Transactions in checking accounts of Government agencies, etc. (net)	Total expenditures	Excess of receipts or expenditures (—)
	Federal old-age and survivors insurance trust fund <sup>8</sup>	Unemployment trust fund	Railroad retirement account	Other trust funds and accounts	Charges against increment on gold			
By fiscal years:								
1932				\$386,437,680.15		\$205,868,006.52	\$592,305,686.67	—\$211,046,056.55
1933				255,085,427.53		817,803,904.18	1,102,889,331.71	—822,813,892.91
1934				209,968,239.61		734,102,737.03	2,944,070,977.54	100,777,369.81
1935				227,118,762.87		637,137,145.71	286,996,753.57	799,664,549.02
1936				2,019,436,888.15		108,298,620.71	2,333,876,046.91	—85,219,878.16
1937	\$267,126,969.35	294,336,000.00		837,343,518.17	403,828,779.50	313,810,604.95	1,189,788,183.12	274,999,624.40
1938	400,404,062.87	790,680,000.00	\$146,049,066.18	327,047,497.83	100,781,944.13	203,986,966.47	2,344,999,624.40	884,286,173.36
1939	528,791,583.23	856,795,000.00	106,774,077.31	323,540,918.03	51,638,418.49	708,326,461.87	1,033,075,810.44	135,584,018.96
1940	576,705,088.55	957,316,273.97	125,299,073.50	357,655,186.89	4,574.58	33,142,041.36	1,983,838,156.13	—148,063,605.37
1941	706,841,884.66	1,118,127,110.94	115,773,514.47	627,638,833.70	1,821.67	27,525,701.26	2,785,908,866.70	—3,548,063,605.37
1942	931,314,952.20	1,243,142,328.20	143,743,910.67	753,461,725.74	1,878.73	3,624,724,254.35	6,696,389,049.89	—1,860,983,971.76
1943	1,184,503,977.71	1,404,167,159.73	216,964,800.65	787,913,897.49	1,512.56	2,193,685,465.83	5,787,236,813.97	—4,050,724,949.22
1944	1,356,633,243.80	1,563,590,783.79	274,915,832.07	1,505,238,003.53		4,403,068,074.50	9,103,446,537.69	798,417,646.45
1945	1,377,244,824.85	1,508,450,732.63	323,444,643.89	1,872,666,106.79	3,821.34	1,178,383,134.11	6,260,193,263.91	
By months:								
1944—								
July	4,629,587.51	46,955,132.82	204,664,311.89	138,820,921.17		192,514,106.27	587,584,059.60	132,727,009.16
August	18,118,207.25	302,567,564.61	1,218,891.85	155,841,878.00		254,081,824.40	731,828,366.20	69,710,871.94
September	298,366,125.69	38,293,244.04	869,663.84	145,013,008.52		35,215,927.74	447,297,251.01	—243,870,833.58
October	19,203,937.99	27,927,250.12	33,793,856.06	28,747,049.97	1,136.66	94,547,388.31	204,210,492.45	147,738,845.62
November	18,996,137.07	282,637,604.11	423,512.00	125,065,639.69		71,275,307.74	104,849,082.35	639,119,932.18
December	309,247,798.79	37,963,070.00	619,192.00	94,144,663.08		163,915,650.15	417,601,046.46	192,747,849.66
1945—								
January	7,032,049.93	81,063,314.04	34,351,734.75	80,745,702.38	2,684.68	20,631,328.55	182,570,157.23	237,623,790.21
February	19,431,333.37	226,849,229.98	806,731.72	23,617,289.94		312,618,260.64	581,049,382.21	101,081,133.17
March	22,750,852.90	46,086,085.61	1,141,219.49	211,492,730.40		407,391,640.82	74,079,248.08	262,300,401.13
April	21,819,983.07	321,221,929.15	35,174,411.03	365,522,352.35		71,102,957.13	524,841,632.73	8,834,896.01
May	22,848,339.22	290,344,408.41	251,670.36	275,885,274.45		153,946,432.78	435,383,159.66	685,944,438.72
June	414,800,471.46	96,565,890.04	12,649,933.74	646,620,210,204.29		778,063,884.34	1,968,290,385.87	—1,030,045,031.42

<sup>a</sup> Excess of credits (deduct).

<sup>b</sup> Effective Jan. 1, 1910, successor to the old-age reserve account.

<sup>c</sup> The total of receipts and expenditures for "Trust accounts, etc." in this table do not agree with the corresponding totals shown in the daily Treasury statement for June 30, 1945, since adjustment has been made in these figures for repayments amounting to \$128,792,000, which were classified in the daily Treasury statement for June 30, 1945, under the captions "Trust accounts, etc.—Receipts—Other trust accounts," instead of under the captions "Expenditures—Other trust accounts."

<sup>7</sup> Includes transactions on account of investments in Government securities.

<sup>8</sup> Net war expenditures of the Reconstruction Finance Corporation and affiliates were not classified separately in daily Treasury statements prior to October 1942. The net figure shown for the fiscal year 1943 includes \$2,442,130.97 of such war expenditures during the period from Oct. 17, 1942, through June 30, 1943. The figure shown for the fiscal year 1944 includes \$2,681,633,923.52 of such expenditures, and the figure shown for the fiscal year 1945 includes \$472,033,180.28 of such expenditures.

TABLE 2.—Receipts and expenditures

[On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 and sub 1930. Trust accounts excluded for 1931 and subse

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax)	Internal revenue		Other receipts <sup>2</sup>	Total receipts <sup>3</sup>	
		Income and profits taxes	Other			War Depart- ment (includ- ing rivers and harbors, and Panama Canal) <sup>4</sup>
1789-91.....	\$4,399,473			\$19,440	\$4,418,913	\$632,804
1792.....	3,443,071		\$208,943	17,946	3,669,960	1,100,702
1793.....	4,255,307		337,706	59,910	4,652,923	1,130,249
1794.....	4,801,065		274,090	356,750	5,431,905	2,639,098
1795.....	5,588,461		337,755	188,318	6,114,534	2,480,910
1796.....	6,567,988		475,290	1,334,252	8,377,530	1,260,264
1797.....	7,549,650		575,491	563,640	8,688,781	1,039,403
1798.....	7,106,062		644,358	150,076	7,900,496	2,009,522
1799.....	6,610,449		779,136	157,228	7,546,813	2,466,947
1800.....	9,080,933		809,396	958,420	10,848,749	2,560,879
1801.....	10,750,779		1,048,033	1,136,519	12,935,331	1,672,944
1802.....	12,438,236		621,899	1,935,659	14,995,794	1,179,148
1803.....	10,479,418		215,180	369,500	11,064,098	822,056
1804.....	11,093,565		50,941	676,801	11,826,307	875,424
1805.....	12,936,487		21,747	602,459	13,560,693	712,781
1806.....	14,667,698		20,101	872,132	15,559,931	1,224,355
1807.....	15,845,522		13,051	539,446	16,398,019	1,288,686
1808.....	16,363,551		8,211	688,900	17,060,662	2,900,834
1809.....	7,296,021		4,044	473,408	7,773,473	3,345,772
1810.....	8,583,309		7,431	793,475	9,384,215	2,294,324
1811.....	13,313,223		2,296	1,108,010	14,423,529	2,032,828
1812.....	8,958,778		4,903	837,452	9,801,133	11,817,798
1813.....	13,224,623		4,755	1,111,032	14,340,410	19,652,013
1814.....	5,998,772		1,662,985	3,519,868	11,181,625	20,350,807
1815.....	7,282,942		4,678,059	3,768,023	15,729,024	14,794,294
1816.....	36,306,875		5,124,708	6,246,088	47,677,671	16,012,097
1817.....	26,283,348		2,678,101	4,137,601	33,099,050	8,004,237
1818.....	17,176,385		955,270	3,453,516	21,585,171	5,622,715
1819.....	20,283,609		229,594	4,090,172	24,603,375	6,506,300
1820.....	15,005,612		106,261	2,768,797	17,880,670	2,630,392
1821.....	13,004,447		69,028	1,499,905	14,573,380	4,461,292
1822.....	17,589,762		67,666	2,575,000	20,232,428	3,111,981
1823.....	19,088,433		34,242	1,417,991	20,540,666	3,096,924
1824.....	17,878,326		34,663	1,468,224	19,381,213	3,340,940
1825.....	20,098,713		25,771	1,716,374	21,840,858	3,659,914
1826.....	23,341,332		21,590	1,897,512	25,260,434	3,943,194
1827.....	19,712,283		19,886	3,234,195	22,966,364	3,938,978
1828.....	23,205,524		17,452	1,540,654	24,763,630	4,145,545
1829.....	22,681,966		14,503	2,131,158	24,827,627	4,724,291
1830.....	21,922,391		12,161	2,909,564	24,844,116	4,767,129
1831.....	24,224,442		6,934	4,295,445	28,526,821	4,841,836
1832.....	28,465,237		11,631	3,388,693	31,865,561	5,446,035
1833.....	29,032,509		2,759	4,913,159	33,948,427	6,704,019
1834.....	16,214,957		4,196	5,572,783	21,791,936	5,696,189
1835.....	19,391,311		10,459	16,028,317	35,430,087	5,759,157
1836.....	23,409,941		370	27,416,485	50,826,796	12,169,227
1837.....	11,169,290		5,494	13,779,369	24,954,153	13,682,734
1838.....	16,158,800		2,467	10,141,295	26,302,562	12,897,224
1839.....	23,137,925		2,553	8,342,271	31,482,749	8,916,996
1840.....	13,499,502		1,682	5,978,931	19,480,115	7,097,070
1841.....	14,487,217		3,261	2,369,682	16,860,160	8,805,565
1842.....	18,187,909		495	1,787,794	19,976,198	6,611,887
1843.....	7,046,844		103	1,255,755	8,302,702	2,957,300
1844.....	26,183,571		1,777	3,136,026	29,321,374	5,179,220
1845.....	27,528,113		3,517	2,438,476	29,970,106	5,752,644
1846.....	26,712,668		2,897	2,984,402	29,699,967	10,792,867
1847.....	23,747,865		375	2,747,529	26,495,769	38,305,520
1848.....	31,757,071		375	3,978,333	35,735,779	25,501,963
1849.....	28,346,739			2,861,404	31,208,143	14,852,966
1850.....	39,668,686			3,934,753	43,603,439	9,400,239
1851.....	49,017,568			3,541,736	52,559,304	11,811,793
1852.....	47,339,327			2,507,489	49,846,816	8,225,247
1853.....	58,931,866			2,655,188	61,587,054	9,947,291
1854.....	64,224,190			9,576,151	73,800,341	11,733,629
1855.....	53,025,794			12,324,781	65,350,575	14,773,826
1856.....	64,022,863			10,033,836	74,056,699	16,948,197

Footnotes at end of table.

for the fiscal years 1789 through 1945 <sup>1</sup>

sequent years, see p. 437. General, special, emergency, and trust accounts combined from 1789 through  
quent years. For explanation of accounts, see p. 438]

Expenditures, excluding debt retirements—Continued				Statutory debt retire- ments (sink- ing fund, etc.)	Surplus or deficit (—)	
Navy Depart- ment <sup>4</sup>	Interest on the public debt	All other <sup>5</sup>	Total expend- itures, exclud- ing debt retire- ments		Gross (includ- ing debt retire- ments)	Net (exclud- ing debt retire- ments)
\$570	\$2,349,437	\$1,286,216	\$4,269,027	-----	\$149,886	\$149,886
53	3,201,628	777,149	5,079,532	-----	-1,409,572	-1,409,572
-----	2,772,242	579,822	4,482,313	-----	170,610	170,610
61,409	3,490,293	800,039	6,990,839	-----	-1,558,934	-1,558,934
410,562	3,189,151	1,459,186	7,539,809	-----	-1,425,275	-1,425,275
274,784	3,195,055	996,883	5,726,986	-----	2,650,544	2,650,544
382,632	3,300,043	1,411,556	6,133,634	-----	2,555,147	2,555,147
1,381,348	3,053,281	1,232,353	7,676,504	-----	223,992	223,992
2,858,082	3,186,288	1,155,138	9,666,455	-----	-2,119,642	-2,119,642
3,448,716	3,374,705	1,401,775	10,786,075	-----	62,674	62,674
2,111,424	4,412,913	1,197,301	9,394,582	-----	3,540,749	3,540,749
915,562	4,125,039	1,642,369	7,862,118	-----	7,133,676	7,133,676
1,215,231	3,848,828	1,965,538	7,851,653	-----	3,212,445	3,212,445
1,189,833	4,266,583	2,387,602	8,719,442	-----	3,106,865	3,106,865
1,597,500	4,148,999	4,046,954	10,506,234	-----	3,054,459	3,054,459
1,649,641	3,723,408	3,206,213	9,803,617	-----	5,756,314	5,756,314
1,722,064	3,369,578	1,973,823	8,354,151	-----	8,043,868	8,043,868
1,884,068	3,428,153	1,719,437	9,932,492	-----	7,128,170	7,128,170
2,427,759	2,866,075	1,641,142	10,280,748	-----	-2,507,275	-2,507,275
1,654,244	2,845,428	1,362,514	8,156,510	-----	1,227,705	1,227,705
1,965,566	2,465,733	1,594,210	8,058,337	-----	6,365,192	6,365,192
3,959,365	2,451,273	2,052,335	20,280,771	-----	-10,479,638	-10,479,638
6,446,600	3,599,455	1,983,784	31,681,852	-----	-17,341,442	-17,341,442
7,311,291	4,593,239	2,465,589	34,720,926	-----	-23,539,301	-23,539,301
8,660,000	5,754,569	3,499,276	32,708,139	-----	-16,979,115	-16,979,115
3,908,278	7,213,259	3,453,057	30,586,691	-----	17,090,980	17,090,980
3,314,598	6,389,210	4,135,775	21,843,820	-----	11,255,230	11,255,230
2,953,695	6,016,447	5,232,264	19,825,121	-----	1,760,050	1,760,050
3,847,640	5,163,538	5,946,332	21,463,810	-----	3,139,565	3,139,565
4,387,990	5,126,097	6,116,148	18,260,627	-----	-379,957	-379,957
3,319,243	5,087,274	2,942,944	15,810,753	-----	-1,237,373	-1,237,373
2,224,459	5,172,578	4,491,202	15,000,220	-----	5,232,208	5,232,208
2,503,766	4,922,685	4,183,465	14,706,840	-----	5,833,826	5,833,826
2,904,582	4,996,562	9,084,624	20,326,708	-----	-945,495	-945,495
3,049,084	4,366,769	4,781,462	15,857,229	-----	5,983,629	5,983,629
4,218,902	3,973,481	4,900,220	17,035,797	-----	8,224,637	8,224,637
4,263,877	3,486,072	4,450,241	16,139,168	-----	6,827,196	6,827,196
3,918,786	3,098,801	5,231,711	16,394,843	-----	8,368,787	8,368,787
3,308,745	2,542,843	4,627,454	15,203,333	-----	9,624,294	9,624,294
3,239,429	1,913,533	5,222,975	15,143,066	-----	9,701,050	9,701,050
3,856,183	1,383,583	5,166,049	15,247,651	-----	13,279,170	13,279,170
3,956,370	772,562	7,113,983	17,288,950	-----	14,576,611	14,576,611
3,901,357	303,797	12,108,379	23,017,552	-----	10,930,875	10,930,875
3,956,260	202,153	8,772,967	18,627,569	-----	3,164,367	3,164,367
3,864,939	57,863	7,890,854	17,572,813	-----	17,857,274	17,857,274
5,807,718	-----	12,891,219	30,868,164	-----	19,958,632	19,958,632
6,646,915	-----	16,913,847	37,243,496	-----	-12,289,343	-12,289,343
6,131,596	14,997	14,821,242	33,865,059	-----	-7,562,497	-7,562,497
6,182,294	399,834	11,400,004	26,899,128	-----	4,583,621	4,583,621
6,113,897	174,598	10,932,014	24,317,579	-----	-4,837,464	-4,837,464
6,001,077	234,978	11,474,253	26,565,873	-----	-9,705,713	-9,705,713
8,397,243	773,550	9,423,081	25,205,761	-----	-5,229,563	-5,229,563
3,727,711	523,595	4,649,469	11,858,075	-----	-3,555,373	-3,555,373
6,498,199	1,833,867	8,826,285	22,337,571	-----	6,983,803	6,983,803
6,297,245	1,040,032	9,847,487	22,937,408	-----	7,032,698	7,032,698
6,454,947	842,723	9,076,388	27,766,925	-----	1,933,042	1,933,042
7,900,636	1,119,215	9,956,041	57,281,412	-----	-30,785,643	-30,785,643
9,408,476	2,390,825	8,075,962	45,377,226	-----	-9,641,447	-9,641,447
9,786,706	3,565,578	16,846,407	45,051,657	-----	-13,843,514	-13,843,514
7,904,709	3,782,331	18,456,213	39,543,492	-----	4,059,947	4,059,947
9,005,931	3,696,721	23,194,572	47,709,017	-----	4,850,287	4,850,287
8,952,801	4,000,298	23,016,573	44,194,919	-----	5,651,897	5,651,897
10,918,781	3,665,833	23,652,206	48,184,111	-----	13,402,943	13,402,943
10,798,586	3,071,017	32,441,630	58,044,862	-----	15,755,479	15,755,479
13,312,024	2,314,375	29,342,443	59,742,668	-----	5,607,907	5,607,907
14,091,781	1,953,822	36,577,226	69,571,026	-----	4,485,673	4,485,673



TABLE 2.—Receipts and expenditures

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax)	Internal revenue		Other receipts <sup>2</sup>	Total receipts <sup>3</sup>	
		Income and profits taxes	Other			War Depart- ment (includ- ing rivers and harbors, and Panama Canal) <sup>4</sup>
1857	\$63,875,905			\$5,089,408	\$68,965,313	\$19,261,774
1858	41,789,621			4,865,745	46,655,366	25,485,383
1859	49,565,824			3,920,641	53,486,465	23,243,823
1860	53,187,512			2,877,096	56,064,608	16,409,767
1861	39,582,126			1,927,805	41,509,931	22,981,150
1862	49,056,398			2,931,058	51,987,456	394,368,407
1863	69,059,642	\$2,741,858	\$34,898,930	5,996,861	112,697,291	599,298,601
1864	102,316,153	20,294,732	89,446,402	52,569,484	264,626,771	690,791,843
1865	84,928,261	60,979,329	148,484,886	39,322,129	333,714,605	1,031,323,361
1866	179,046,652	72,982,159	236,244,654	69,759,155	558,032,620	284,449,702
1867	176,417,811	66,014,429	200,013,108	48,188,662	490,634,010	95,224,415
1868	164,464,600	41,455,598	149,631,991	50,085,894	405,638,083	123,246,648
1869	180,048,427	34,791,856	123,564,605	32,538,859	370,943,747	78,501,991
1870	194,538,374	37,775,874	147,123,882	31,817,347	411,255,477	57,655,676
1871	206,270,408	19,162,651	123,935,503	33,955,383	383,323,945	35,799,992
1872	216,370,287	14,436,862	116,205,316	27,094,403	374,106,868	35,372,157
1873	188,089,523	5,062,312	108,667,002	31,919,368	333,738,205	46,323,138
1874	163,103,834	139,472	102,270,313	39,465,137	304,978,756	42,313,927
1875	157,167,722	233	110,007,261	20,824,835	288,000,051	41,120,646
1876	148,071,985	588	116,700,144	29,323,148	294,095,865	38,070,889
1877	130,956,493	98	118,630,310	31,819,518	281,406,419	37,082,736
1878	130,170,680		110,581,625	17,011,574	257,763,879	32,154,148
1879	137,250,048		113,561,611	23,015,526	273,827,185	40,425,661
1880	186,522,064		124,009,374	22,995,173	333,526,611	38,116,916
1881	198,159,676	3,022	135,261,364	27,358,231	360,782,293	40,466,461
1882	220,410,730		146,497,596	36,616,924	403,525,250	43,670,494
1883	214,706,497		144,720,369	38,860,716	398,287,582	48,911,383
1884	195,067,490	55,628	121,530,445	31,866,367	348,519,870	39,429,603
1885	181,471,939		112,498,726	29,720,041	323,690,706	42,670,578
1886	192,905,023		116,805,936	26,728,767	336,439,726	34,324,153
1887	217,286,893		118,823,391	35,292,993	371,403,277	38,561,026
1888	219,091,174		124,296,872	35,878,029	379,266,075	38,522,436
1889	223,832,742		130,881,514	32,335,803	387,050,059	44,435,271
1890	229,668,585		142,606,706	30,805,693	403,080,984	44,582,838
1891	199,522,205		145,686,250	27,403,992	392,612,447	48,720,065
1892	177,452,964		153,971,072	23,513,748	354,937,784	46,895,456
1893	203,355,017		161,027,624	21,436,988	385,819,629	49,641,773
1894	131,818,531		147,111,233	27,425,552	306,355,316	54,567,930
1895	152,158,617	77,131	143,344,541	29,149,130	324,729,419	51,804,759
1896	160,021,752		146,762,865	31,357,830	338,142,447	50,830,921
1897	176,554,127		146,688,574	24,479,004	347,721,705	48,950,268
1898	149,575,062		170,900,642	84,845,631	405,321,335	91,992,000
1899	206,128,482		273,437,162	36,394,977	515,960,621	229,841,254
1900	233,164,871		295,327,927	38,748,054	567,240,852	134,774,768
1901	238,585,456		307,180,664	41,919,218	587,685,338	144,615,697
1902	254,444,708		271,880,122	36,153,403	562,478,233	112,272,216
1903	284,479,582		230,810,124	46,591,016	561,880,722	118,629,505
1904	261,274,565		232,904,119	46,908,401	541,087,085	165,199,911
1905	261,798,857		234,095,741	48,380,087	544,274,685	126,093,894
1906	300,251,878		249,150,213	45,582,355	594,984,446	137,326,066
1907	332,233,363		269,666,773	63,960,250	665,860,386	149,775,084
1908	286,113,130		251,711,127	64,037,650	601,861,907	175,840,453
1909	300,711,934		246,212,644	57,395,920	604,320,498	192,486,904
1910	333,683,445	20,951,781	268,981,738	51,894,751	675,511,715	189,823,379
1911	314,497,071	33,516,977	289,012,224	64,806,639	701,832,911	197,199,491
1912	311,321,672	28,583,304	293,028,896	59,675,332	692,609,204	184,122,793
1913	318,891,396	35,006,300	309,410,666	60,802,868	724,111,230	202,128,711
1914	292,320,014	71,381,275	308,659,733	62,312,145	734,673,167	208,349,746
1915	209,786,672	80,201,759	335,467,887	72,454,509	697,910,827	202,160,134
1916	213,185,846	124,937,253	387,764,776	56,646,673	782,534,548	183,176,439
1917	225,962,393	359,681,228	449,684,980	88,996,194	1,124,324,795	377,940,870
1918	179,998,385	2,314,006,292	872,028,020	298,550,168	3,664,582,865	4,869,955,286
1919	184,457,867	3,018,783,687	1,296,501,292	652,514,290	5,152,257,136	9,009,075,789
1920	322,902,650	3,944,949,288	1,460,082,287	966,631,164	6,694,565,389	1,621,953,095
1921	308,564,391	3,206,046,158	1,390,379,823	719,942,589	5,624,932,961	1,118,076,423
1922	356,443,387	2,068,128,193	1,145,125,064	539,407,507	4,109,104,151	457,756,139
1923	561,928,867	1,678,607,428	945,865,333	820,733,853	4,007,135,481	397,050,596
1924	545,637,504	1,842,144,418	953,012,618	671,250,162	4,012,044,702	357,016,878

Footnotes at end of table.



for the fiscal years 1789 through 1945 <sup>1</sup>—Continued.

Expenditures, excluding debt retirements—Continued				Statutory debt retirements (sinking fund, etc.)	Surplus or deficit (—)	
Navy Department <sup>4</sup>	Interest on the public debt	All other <sup>5</sup>	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
\$12,747,977	\$1,678,265	\$34,107,692	\$67,795,708	—	\$1,169,605	\$1,169,605
13,984,551	1,567,056	33,148,280	74,185,270	—	-27,529,904	-27,529,904
14,642,990	2,638,464	28,545,700	69,070,977	—	-15,584,512	-15,584,512
11,514,965	3,177,315	32,028,551	63,130,598	—	-7,065,990	-7,065,990
12,420,888	4,000,174	27,144,433	66,546,645	—	-25,036,714	-25,036,714
42,668,277	13,190,325	24,554,810	474,761,819	—	-422,774,363	-422,774,363
63,221,964	24,729,847	27,490,313	714,740,725	—	-602,043,434	-602,043,434
85,725,995	53,685,422	35,119,382	865,322,642	—	-600,695,871	-600,695,871
122,612,945	77,397,712	66,221,206	1,297,555,224	—	-963,840,619	-963,840,619
43,324,118	133,067,742	59,967,855	520,809,417	—	37,223,203	37,223,203
31,034,011	143,781,592	87,502,657	357,542,675	—	133,091,335	133,091,335
25,775,503	140,424,046	57,894,088	377,340,285	—	28,297,798	28,297,798
20,000,758	130,694,243	93,668,286	322,865,278	—	48,078,469	48,078,469
21,780,230	129,235,498	100,982,157	309,653,561	—	101,601,916	101,601,916
19,431,027	125,576,566	111,369,603	292,177,188	—	91,146,757	91,146,757
21,249,810	117,357,840	103,538,156	277,517,963	—	96,588,905	96,588,905
23,526,257	104,750,688	115,745,162	290,345,245	—	43,392,960	43,392,960
30,932,587	107,119,815	122,267,544	302,633,873	—	2,344,883	2,344,883
21,497,626	103,093,545	108,911,576	274,623,393	—	13,376,658	13,376,658
18,963,310	100,243,271	107,823,615	265,101,085	—	28,994,780	28,994,780
14,959,935	97,124,512	92,167,292	241,334,475	—	40,071,944	40,071,944
17,365,301	102,500,875	84,944,003	236,964,327	—	20,799,552	20,799,552
15,125,127	105,327,949	106,069,147	266,947,884	—	6,879,301	6,879,301
13,536,985	95,757,575	120,231,482	267,642,958	—	65,883,653	65,883,653
15,686,672	82,508,741	122,051,014	260,712,888	—	100,069,405	100,069,405
15,032,046	71,077,207	128,301,693	257,981,440	—	145,543,810	145,543,810
15,283,437	59,160,131	142,053,187	265,408,138	—	132,879,444	132,879,444
17,292,601	54,578,379	132,825,661	244,126,244	—	104,393,626	104,393,626
16,021,080	51,386,256	150,149,021	260,226,935	—	63,463,771	63,463,771
13,907,888	50,580,146	143,670,952	242,483,139	—	93,956,587	93,956,587
15,141,127	47,741,577	166,488,451	267,932,181	—	103,471,096	103,471,096
16,926,438	44,715,007	167,760,920	267,924,801	—	111,341,274	111,341,274
21,378,809	41,001,484	192,473,414	299,288,978	—	87,761,081	87,761,081
22,006,206	36,099,284	215,352,383	318,040,711	—	85,040,273	85,040,273
26,113,896	37,547,135	253,392,808	365,773,904	—	26,838,543	26,838,543
29,174,139	23,378,116	245,575,620	345,023,331	—	9,914,453	9,914,453
30,136,084	27,264,392	276,435,704	383,477,953	—	2,341,676	2,341,676
31,701,294	27,841,406	253,414,651	367,525,281	—	-61,169,965	-61,169,965
28,797,796	30,978,030	244,614,713	356,195,298	—	-31,465,879	-31,465,879
27,147,732	35,385,029	238,815,764	352,179,446	—	-14,036,999	-14,036,999
34,561,546	37,791,110	244,471,235	365,774,159	—	-18,052,454	-18,052,454
58,823,985	37,585,056	254,967,542	443,368,583	—	-38,047,248	-38,047,248
63,942,104	39,896,925	271,391,896	605,072,179	—	-89,111,558	-89,111,558
55,953,078	40,160,333	289,972,668	520,860,847	—	46,380,005	46,380,005
60,506,978	32,342,979	287,151,271	524,616,925	—	63,068,413	63,068,413
67,803,128	29,108,045	276,050,860	485,234,249	—	77,243,984	77,243,984
82,618,034	28,556,349	287,202,239	517,006,127	—	44,874,595	44,874,595
102,956,102	24,646,490	290,857,397	583,659,900	—	-42,572,815	-42,572,815
117,550,308	24,590,944	299,043,768	567,278,914	—	-23,004,229	-23,004,229
110,474,264	24,308,576	288,093,372	570,202,278	—	24,782,168	24,782,168
97,128,469	24,481,158	307,744,131	579,128,842	—	86,731,544	86,731,544
118,037,097	21,426,138	343,892,632	659,196,320	—	-57,334,413	-57,334,413
115,546,011	21,803,836	363,907,134	693,743,885	—	-89,423,387	-89,423,387
123,173,717	21,342,979	359,276,990	693,617,065	—	-18,105,350	-18,105,350
119,937,644	21,311,334	352,753,043	691,201,512	—	10,631,399	10,631,399
135,591,956	22,616,300	347,550,285	689,881,334	—	2,727,870	2,727,870
133,262,862	22,899,108	366,221,282	724,511,963	—	-400,733	-400,733
139,682,186	22,863,957	364,185,542	735,081,431	—	-408,264	-408,264
141,835,654	22,902,897	393,688,117	760,586,802	—	-62,675,975	-62,675,975
153,853,567	22,900,869	374,125,327	734,056,202	—	48,478,346	48,478,346
239,632,757	24,742,702	1,335,365,422	1,977,681,751	—	-853,356,956	-853,356,956
1,278,840,487	189,743,277	6,358,163,421	12,696,702,471	\$1,134,234	-9,033,253,840	-9,032,119,606
2,002,310,785	619,215,569	6,884,277,812	18,514,879,955	8,014,750	-13,370,637,569	-13,362,622,819
736,021,456	1,020,251,622	3,025,117,668	6,403,343,841	78,746,350	12,475,198	291,221,548
650,373,836	999,144,731	2,348,332,700	5,115,927,690	422,281,500	216,723,771	509,005,271
476,775,194	991,000,759	1,447,075,808	3,372,607,900	422,694,600	313,801,651	736,496,251
333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	402,850,491	309,657,461	712,507,952
332,249,137	940,602,913	1,418,809,037	3,048,677,965	457,999,750	505,366,987	963,366,737

TABLE 2.—Receipts and expenditures

Year	Receipts					Expenditures, excluding debt retirements
	Customs (including tonnage tax) <sup>7</sup>	Internal revenue		Other receipts <sup>2</sup>	Total receipts <sup>3</sup>	War Depart- ment (includ- ing rivers and harbors, and Panama Canal) <sup>4</sup>
		Income and profits taxes	Other			
1925.....	\$547,561,226	\$1,760,537,824	\$828,638,068	\$643,411,567	\$3,780,148,685	\$370,980,708
1926.....	579,430,093	1,982,040,088	855,599,289	545,686,220	3,962,755,690	364,089,945
1927.....	605,499,983	2,224,992,800	644,421,542	654,480,116	4,129,394,441	369,114,122
1928.....	568,986,188	2,173,952,557	621,018,666	678,390,745	4,042,348,156	400,989,683
1929.....	602,262,786	2,330,711,823	607,307,549	492,968,067	4,033,250,225	425,947,194
1930.....	587,000,903	2,410,986,978	628,308,036	551,645,785	4,177,941,702	464,853,515
1931.....	378,354,005	1,860,394,295	569,386,721	381,503,611	3,189,638,632	478,418,974
1932.....	327,754,969	1,057,335,853	503,670,481	116,964,134	2,005,725,437	476,305,311
1933.....	250,750,251	746,206,445	858,217,512	224,522,534	2,079,696,742	434,620,860
1934.....	313,434,302	817,961,481	1,822,642,347	161,515,919	3,115,554,050	408,586,783
1935.....	343,353,034	1,099,118,638	2,178,571,390	179,424,141	3,800,467,202	487,995,220
1936.....	386,811,594	1,426,575,434	2,086,276,174	216,293,413	4,115,956,615	618,587,184
1937.....	486,356,599	2,163,413,817	2,168,726,286	210,343,535	5,028,840,237	628,104,285
1938.....	359,187,249	2,640,284,711	2,647,033,726	208,155,541	5,854,661,227	644,263,842
1939.....	318,837,311	2,188,757,289	2,469,463,558	187,765,468	5,164,823,626	695,256,481
1940.....	348,590,636	2,125,324,635	2,640,097,620	273,111,779	5,387,124,670	907,160,151
1941.....	391,870,013	3,469,637,849	3,230,736,400	514,967,590	7,607,211,852	3,938,943,048
1942.....	388,948,427	7,960,464,973	4,163,799,712	285,848,509	12,799,061,621	14,325,508,098
1943.....	324,290,778	16,093,668,781	4,947,297,425	<sup>5</sup> 916,385,725	22,281,642,709	42,525,562,523
1944.....	431,252,168	34,654,851,852	5,770,620,418	<sup>5</sup> 3,292,202,529	44,148,926,968	49,438,330,158
1945.....	354,775,542	35,173,051,373	7,445,980,795	<sup>5</sup> 3,482,746,869	46,456,554,580	50,490,101,935

NOTE.—For postal receipts and expenditures, see table 13. Figures are rounded to nearest dollar and will not necessarily add to totals.

<sup>1</sup> From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

<sup>2</sup> Comprises railroad unemployment insurance contributions, proceeds of Government-owned securities, Panama Canal tolls, etc., seigniorage, and other miscellaneous. For details of Panama Canal receipts, see table 12.

<sup>3</sup> Total receipts are exclusive of net receipts under Title VIII of the Social Security Act. Amounts representing appropriations equal to "Social security taxes-Federal Insurance Contributions Act" collected and deposited under Sec. 201 (a) of the Social Security Act Amendments of 1939, less reimbursements to the General Fund for administrative expenses, are deducted on the daily Treasury statement from total receipts. Such amounts are reflected under trust account receipts as net appropriations to the Federal old-age and survivors insurance trust fund.

for the fiscal years 1789 through 1945 <sup>1</sup>—Continued

Expenditures, excluding debt retirements—Continued				Statutory debt retirements (sinking fund, etc.)	Surplus or deficit (—)	
Navy Department <sup>4</sup>	Interest on the public debt	All other <sup>5</sup>	Total expenditures, excluding debt retirements		Gross (including debt retirements)	Net (excluding debt retirements)
\$346,142,001	\$881,806,662	\$1,464,175,961	\$3,063,105,332	\$466,538,114	\$250,505,239	\$717,043,353
312,743,410	831,937,700	1,588,840,768	3,097,611,823	487,376,051	377,767,816	865,143,867
318,909,096	787,019,578	1,498,986,878	2,974,029,674	519,554,845	635,809,921	1,155,364,766
331,335,492	731,764,476	1,639,175,204	3,103,264,855	540,255,020	398,828,281	939,083,301
364,561,544	678,330,400	1,830,020,348	3,298,859,486	549,603,704	184,787,035	734,390,739
374,165,639	659,347,613	1,941,902,117	3,440,268,884	553,883,603	183,789,215	737,672,818
354,071,004	611,559,704	2,207,466,030	3,651,515,712	440,082,000	—901,959,080	—461,877,080
357,517,834	599,276,631	3,102,047,362	4,535,147,138	412,629,750	—2,942,051,451	—2,529,421,701
349,372,794	689,365,106	2,390,186,162	3,863,544,922	461,604,800	—2,245,452,981	—1,783,848,181
296,927,490	756,617,127	4,548,951,854	6,011,083,254	359,864,093	—3,255,393,297	—2,895,529,205
436,265,532	820,926,353	5,264,688,207	7,009,875,312	573,558,250	—3,782,966,360	—3,209,408,110
528,882,143	749,396,802	6,768,779,293	8,665,645,422	403,240,150	—4,952,928,957	—4,549,688,807
556,674,066	866,384,331	6,126,246,074	8,177,408,756	103,971,200	—3,252,539,719	—3,148,568,519
596,129,739	926,280,714	5,072,147,863	7,238,822,158	65,464,950	—1,449,625,881	—1,384,160,931
672,722,327	940,539,764	6,398,573,009	8,707,091,581	58,246,450	—3,600,514,405	—3,542,267,955
891,484,523	1,040,935,697	6,158,609,335	8,998,189,706	129,184,100	—3,740,249,137	—3,611,065,037
2,313,057,956	1,110,692,812	5,347,936,008	12,710,629,824	64,260,500	—5,167,678,472	—5,103,417,972
8,579,588,976	1,260,085,336	8,231,402,688	32,396,585,098	94,722,300	—19,692,245,777	—19,597,523,477
20,888,349,026	1,808,160,396	12,956,813,297	78,178,885,241	3,463,400	—55,900,705,932	—55,897,242,532
26,537,633,877	2,608,979,806	15,158,569,373	93,743,513,214	1,650	—49,594,587,896	—49,594,586,246
30,047,152,135	3,616,686,048	16,250,654,567	100,404,594,686	2,000	—53,948,042,106	—53,948,040,106

<sup>4</sup> Excludes civil expenditures under War and Navy Departments in Washington, to and including fiscal year 1915. For details of Panama Canal expenditures, see table 12. Additional expenditures for "War activities" are reflected in the column "All other." Complete expenditures for "War activities" are shown in table 4.

<sup>5</sup> Includes civil expenditures under War and Navy Departments in Washington, to and including fiscal year 1915, and unavailable funds charged off under act of June 3, 1922 (42 Stat. 1592).

<sup>6</sup> Receipts and public debt retirements for 1921 exclude \$4,842,066.45 written off the public debt Dec. 31, 1920. See note 2, p. 565.

<sup>7</sup> Beginning with the fiscal year 1932, tonnage tax has been covered into the Treasury as miscellaneous receipts reflected in column "Other receipts."

<sup>8</sup> Includes deposits resulting from the renegotiation of war contracts. Information regarding the amount of such deposits is not available on the basis of daily Treasury statements. On the basis of covering war-rants such deposits totaled \$558,223,780.23 for 1943, \$2,235,383,011.57 for 1944, and \$2,040,925,653.37 for 1945. The foregoing coverings include so-called voluntary returns.





Source	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
Internal revenue:							
Income tax:							
Withheld by employers (Current Tax Payment Act of 1943)	\$1,295,314,714.25	\$883,094,293.19	\$599,742,033.21	\$1,281,771,830.68	\$826,417,362.69	\$10,289,249,960.92	\$8,392,786,506.27
Other	1,626,634,451.44	4,935,277,706.16	1,566,919,425.54	745,460,821.20	3,830,284,403.95	21,853,801,412.50	26,262,065,345.90
Miscellaneous internal revenue	551,622,081.20	520,095,985.33	533,738,086.82	557,163,776.17	561,453,210.07	6,949,449,280.90	3,291,039,059.31
Social security taxes:							
Employment taxes	222,055,700.16	17,640,045.46	41,156,713.56	315,614,861.25	4,591,192.73	1,309,919,400.41	1,292,122,433.67
Tax on employers of 8 or more (employment taxes)	114,251,425.77	9,728,949.37	2,845,038.69	12,337,192.87	1,574,506.05	184,544,012.05	179,909,392.52
Taxes upon carriers and their employees (employment taxes)	4,678,949.87	65,484,003.53	1,465,240.45	8,587,003.08	60,040,592.06	285,037,861.86	267,064,592.80
Railroad unemployment insurance contributions	72,443.81	3,147,128.18	35,539.15	98,111.95	3,124,615.30	13,198,802.30	12,143,004.53
Customs	23,412,571.34	32,642,211.61	33,142,849.66	35,874,020.82	33,342,223.23	354,775,541.50	431,252,168.24
Miscellaneous receipts:							
Proceeds of Government-owned securities:							
Principal—foreign obligations	90,730.86				8,541.77	90,272.63	91,353.05
Interest—foreign obligations	144,714.20				159,512.97	304,227.17	291,007.07
Other	2,521,184.16				11,626,701.17	121,387,583.53	87,405,189.17
Panama Canal tolls, etc.	839,501.96	433,830.57	839,202.47	2,478,083.00	6,662,097.67	12,132,686.83	8,398,701.97
Seigniorage	1,904,413.88	786,901.05	531,387.51	4,556,639.09	6,124,352.89	77,498,721.68	42,704,874.18
Surplus postal revenues	50,000,000.00	1,385,441.25	11,037,907.46	13,830,300.48	51,102,579.00	188,102,579.00	1,000,000.00
Other miscellaneous	92,978,676.45	437,869,078.19	175,930,915.99	380,091,401.21	425,583,178.05	2,3070,022,936.28	3,140,165,399.52
Total receipts	3,986,521,559.35	6,907,585,633.89	2,967,384,340.51	3,397,836,035.80	5,916,137,140.60	47,739,524,339.56	45,408,442,028.00
Deduct:							
Net appropriation to Federal old-age and survivors insurance trust fund <sup>1</sup>	219,748,892.84	15,333,238.13	38,786,826.13	313,244,973.82	2,221,305.30	1,282,969,759.85	1,259,515,059.93
Net receipts	3,766,772,666.51	6,892,252,395.76	2,928,597,514.38	3,084,591,061.98	5,913,915,835.30	46,456,554,579.71	44,148,926,968.07

<sup>a</sup> Counter-entry receipts (deduct).<sup>b</sup> Revised to adjust classification.<sup>1</sup> Represents appropriations equal to "Social security taxes—Federal Insurance Contributions Act," collected and deposited as provided under sec. 201 (a) of the Social Security Act amendments of 1939 less reimbursements to the General Fund for administrative expenses in the amount reflected under receipts for the Federal old-age and survivors insurance trust fund.<sup>2</sup> Includes deposits resulting from the renegotiation of war contracts. Information regarding the amount of such deposits is not available on the basis of daily Treasury statements. On the basis of covering warrants such deposits totaled \$2,235,383,011.57 for 1944, and \$2,040,925,653.37 for 1945. The foregoing coverings include so-called voluntary returns.

TABLE 3.—*Classification of monthly and total receipts, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

PART B. TRUST ACCOUNTS, ETC.

Source	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
Federal old-age and survivors insurance trust fund:						
Appropriations.....	\$51,751,324.93	\$293,278,962.17	\$3,814,450.72	\$55,427,381.37	\$267,339,643.02	\$3,973,671.01
Less reimbursements to General Fund.....	2,437,377.57	2,437,377.57	2,437,377.58	1,869,141.19	1,869,141.19	1,869,141.20
Net appropriations <sup>1</sup> .....	49,313,947.36	290,841,584.60	1,377,073.14	53,558,240.18	265,470,501.83	2,104,529.81
Interest on investments.....	3,668.48		3,714,443.02		2,530,298.91	4,937,699.68
Net receipts.....	49,317,615.84	290,841,584.60	5,091,516.16	53,558,240.18	265,470,501.83	4,634,828.72
Office of Distribution:						
Transfers from General Fund.....		a 294,026.50				
Railroad retirement account:						
Interest on investments.....	16,438.36	48,410.96	75,945.21	103,972.60	143,013.70	158,219.18
Transfers from General Fund.....	204,817,000.00			34,000,000.00		34,500,000.00
Unemployment trust fund:						
Deposits by States.....	50,627,736.27	284,766,497.34	6,878,367.05	57,244,960.59	252,416,385.77	7,070,707.63
Railroad unemployment insurance account:						
Deposits by Railroad Retirement Board.....	56,126.03	984,475.32	29,794,651.15	42,517.34	998,036.36	28,585,264.31
Transfers from States (act of June 26, 1938).....	111,006.00		1,000.00	66,195.60		2,551,970.10
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940).....		8,948,213.00				27,159.84
Other trust accounts:						
Adjusted service certificate fund:						
Interest on loans and investments.....	229.50		8,547.85	6,169.08	6,289.76	202,633.75
Transfers from General Fund.....	9,000,000.00					621,649.43
Alaska Railroad retirement fund:						
Deductions from employees' salaries, etc.....	13,243.48	12,924.49	3,348.10	28,548.39	15,571.37	18,101.98
Interest on investments.....	73.97	161.64				
Transfers from General Fund (United States share).....	175,000.00					
Canal Zone retirement fund:						
Deductions from employees' salaries, etc.....	2,600.05	94,431.68	168,609.00	96,204.71	11,290.69	115,779.81
Interest on investments.....	384.66	323.29	216.99	1,474.52		
Transfers from General Fund (United States share).....	1,177,000.00					166,978.57

Source	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945 /		
Federal old-age and survivors insurance trust fund:							
Appropriations	\$222,055,700.16	\$17,640,045.46	\$41,156,713.56	\$315,614,861.25	\$4,591,192.73	\$1,309,919,400.41	\$1,292,122,433.97
Less reimbursements to General Fund	2,306,807.32	2,306,807.33	2,309,887.43	2,309,887.43	2,369,887.43	26,949,640.56	32,607,373.74
Net appropriations <sup>3</sup>	219,748,892.84	15,333,238.13	38,786,826.13	313,244,973.82	2,221,305.30	1,282,969,759.85	1,259,515,059.93
Interest on investments		7,672,962.65			104,994,925.41	123,853,998.15	103,177,087.09
Net receipts	219,748,892.84	23,006,200.78	38,786,826.13	313,244,973.82	107,216,230.71	1,406,823,758.00	1,362,692,147.02
Office of Distribution:							
Transfers from General Fund							• 2,840,031.50
Railroad retirement account:							
Interest on investments		251,424.66	292,931.51	322,520.55	13,393,397.28	15,240,493.19	9,837,049.21
Transfers from General Fund	231,780.82		35,500,000.00			308,817,000.00	262,720,000.00
Unemployment trust fund:							
Deposits by States	211,822,142.73	11,346,005.11	46,954,630.88	276,076,790.06	7,261,414.90	1,256,002,876.17	1,349,306,970.12
Interest on investments		2,952,348.06			62,510,203.74	123,641,542.98	96,527,764.42
Railroad unemployment insurance account:							
Transfers from States (act June 25, 1938)	652,019.77	28,324,285.44	323,675.51	2,117,028.67	26,888,202.06	118,794,041.80	109,374,997.72
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940)			63,304.55		31,632.00	369,930.15	
Other trust accounts:							
Adjusted service certificate fund:						8,948,213.00	11,699,700.00
Interest on loans and investments	152.05	74.94	17,986.59	2,551.33	73,088.72	939,373.00	748,591.40
Transfers from General Fund						9,000,000.00	
Alaska Railroad retirement fund:							
Deductions from employees' salaries, etc.	325.96	42,825.51	1,164.96	17,983.44	17,939.72	177,402.75	171,531.06
Interest on investments			327.67		74,957.26	75,520.54	67,757.37
Transfers from General Fund (United States share)						175,000.00	175,000.00
Canal Zone retirement fund:							
Deductions from employees' salaries, etc.	8,999.96	176,605.63	18,250.93	181,596.95	101,530.35	1,142,878.33	1,278,300.73
Interest on investments		890.96	3,708.22	1,797.26	394,465.62	402,321.52	361,964.22
Transfers from General Fund (United States share)						1,177,000.00	1,177,000.00

<sup>a</sup> Counter-entry receipts (deduct).<sup>3</sup> See footnote 1, p. 451.

TABLE 3.—Classification of monthly and total receipts, fiscal year 1945, and comparative totals, fiscal year 1944—Continued

## PART B. TRUST ACCOUNTS, ETC.—Continued

Source	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
Other trust accounts—Continued.						
Civil service retirement fund:						
Deductions from employees' salaries, etc.	\$23,886,001.48	\$23,452,537.94	\$24,419,831.02	\$23,180,512.06	\$24,071,621.17	\$24,092,036.91
District of Columbia share	-1,290,875.00				40,707.12	
Interest and profits on investments						
Transfers from General Fund (United States share)	194,500,000.00					
District of Columbia:						
Revenues from taxes, etc.	2,407,835.67	1,856,087.48	8,430,837.82	11,836,220.97	3,063,898.47	2,250,870.36
Transfers from General Fund (United States share)	6,000,000.00					
Foreign service retirement fund:						
Deductions from employees' salaries, etc.	10,972.83	7,157.12	8,860.25	20,845.77	9,079.49	25,855.47
Interest on investments	177.53	258.63	197.26	512.88	246.58	964.38
Transfers from General Fund (United States share)	910,500.00					
Government life insurance fund:						
Interest and profits on investments	836,174.21		3,928,760.41	866,405.00		2,321,616.25
Premiums and other receipts	7,956,144.66	2,117,745.65	5,596,629.76	3,501,587.82	3,351,819.97	3,506,584.78
Indian tribal funds	597,140.05	889,036.03	494,099.80	743,171.94	521,965.00	775,658.70
Insular possessions	a 2,099,153.99	74,693.54	26,543.61	34,823.83	4,647.55	4,647.55
National service life insurance fund:						
Interest and profits on investments						
Premiums and other receipts	128,782,924.43	24,024,174.00	78,450,094.71	79,994,156.83	79,222,454.30	77,347,215.20
Transfers from General Fund	34,523,118.33	45,173,558.44	21,745,949.10	12,979,332.24	18,109,903.97	21,584,797.42
Other	71,238,310.06	51,545,728.27	17,465,065.34	72,808,068.89	97,908,968.46	47,767,137.81
Unclassified	a 65,854,115.33	63,980,557.59	826,323.73	22,954.18	a 1,408,081.78	1,831,809.69
Other funds and accounts:						
Increment resulting from reduction in the weight of the gold dollar	9,709.73	14,707.60	10,954.11	6,055.04	10,024.75	6,496.80
Total receipts	720,311,068.82	801,539,238.14	203,426,417.43	351,958,338.07	743,969,034.53	224,853,196.80
						11,619.92
						420,193,947.44



Source	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
Other trust accounts—Continued.							
Civil service retirement fund:							
Deductions from employees' salaries, etc.	\$24,697,466.48	\$23,626,306.16	\$26,478,900.24	\$24,608,523.58	\$21,683,967.43	\$288,255,434.04	\$267,155,789.09
District of Columbia share.						1,290,875.00	889,037.00
Interest and profits on investments	53,913.15				68,487,468.35	68,582,148.62	52,767,637.64
Transfers from General Fund (United States share)						194,500,000.00	175,104,000.00
District of Columbia:						64,603,817.96	62,124,421.44
Revenues from taxes, etc.	2,094,012.99	9,719,894.98	11,746,124.62	5,219,126.62	3,100,219.03	6,000,000.00	6,000,000.00
Transfers from General Fund (United States share)							
Foreign service retirement fund:							
Deductions from employees' salaries, etc.	11,441.89	16,903.98	14,829.70	49,500.79	52,074.81	237,975.22	272,297.37
Interest on investments	654.79	1,187.95	1,143.01	1,437.81	301,596.54	308,722.57	277,847.96
Transfers from General Fund (United States share)						910,500.00	865,600.00
Government life insurance fund:							
Interest and profits on investments		4,419,708.27	866,405.00		26,232,892.16	39,472,000.30	38,891,038.56
Premiums and other receipts	4,164,179.26	4,150,717.60	4,577,495.61	4,992,149.26	8,317,079.88	57,727,398.26	55,253,363.46
Indian tribal funds	760,486.43	710,917.97	500,260.93	1,063,076.57	525,201.21	8,376,388.74	7,875,380.40
Insular possessions	16,016.98	24,510.04		a 244,987.20	914.04	a 2,123,613.89	4,409,849.50
National service life insurance fund:							
Interest and profits on investments		77,185,541.31	83,844,023.67	80,601,671.65	56,746,736.32	56,746,736.32	22,190,004.10
Premiums and other receipts	80,341,906.01	45,032,942.70	200,395,962.53	296,361,995.44	334,649,728.87	954,147,778.13	781,144,957.94
Transfers from General Fund	48,102,695.79	98,109,374.43	90,297,337.97	110,969,968.35	97,298,654.86	1,116,594,685.43	101,298,962.49
Other	96,622,189.03	7,272,067.86	a 7,023,830.74	5,791,657.98		952,777,173.55	270,780,759.07
Unclassified	a 6,603,761.93				a 564,379.62	a 1,281,723.97	2,040,309.58
Other funds and accounts:							
Increment resulting from reduction in the weight of the gold dollar	7,020.38	8,914.87	15,112.35	8,235.45	11,438.08	120,289.08	171,591.10
Total receipts.	682,730,535.38	336,379,649.21	533,676,531.74	1,121,327,598.38	4918,245,354.45	47,058,610,910.39	5,052,721,588.47

a Counter-entry receipts (de-duct).

† The total of receipts for "Trust accounts, etc." in this table does not agree with the corresponding total shown in the daily Treasury statement for June 30, 1945, since adjustment has been made for repayments amounting to \$128,792,000 which were classified

in the daily Treasury statement for June 30, 1945, under the caption "Trust accounts, etc., receipts, other trust accounts" instead of under the caption "Expenditures, other trust accounts."



Classification	Fiscal year 1945				Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945	
<b>PART A. GENERAL AND SPECIAL ACCOUNTS</b>						
<b>I. General:</b>						
A. Departmental (see p. 459)-----	\$75,336,581.36	\$78,022,025.07	\$70,416,973.39	\$79,668,368.53	\$75,504,534.36	\$792,857,551.66
B. Agricultural programs (see p. 461)-----	12,535,073.77	49,528,175.16	78,588,583.99	338,582,233.82	9,119,293.27	873,862,862.51
C. Federal Security Agency and Federal Works Agency (see p. 465)-----	43,210,140.32	48,313,717.96	62,424,020.34	47,366,989.70	43,129,113.04	716,614,379.59
D. Other (see p. 465)-----	333,691,451.33	936,689,583.15	382,564,112.27	362,966,469.71	1,340,250,269.69	3,804,371,204.88
Total general expenditures-----	464,773,246.78	1,142,553,501.34	593,963,689.99	828,584,061.76	1,468,003,210.36	8,750,503,705.77
II. War activities (see p. 467)-----	6,948,305,795.17	8,245,939,462.59	7,138,858,441.23	8,155,892,930.80	7,837,257,333.68	87,038,671,937.86
III. Revolving funds (see p. 471)-----	a 1,357,311.57	826,575.72	a 466,764.83	a 6,214,557.39	1,303,609.45	a 38,974,953.65
IV. Transfers to trust accounts, etc. (see p. 471)-----	48,102,695.79	45,032,942.70	235,895,962.53	296,361,995.44	334,649,728.37	556,110,230.99
Total expenditures, excluding debt retirements-----	7,459,914,426.17	9,432,699,330.91	7,968,281,328.92	9,274,624,430.61	9,641,213,881.86	93,743,513,213.84
V. Debt retirements (see p. 471)-----					1,500.00	1,550.00
Total expenditures-----	7,459,914,426.17	9,432,699,330.91	7,968,281,328.92	9,274,624,430.61	9,641,215,381.86	93,743,514,863.84
<b>PART B. TRUST ACCOUNTS, ETC.</b>						
I. Trust accounts, etc. (see p. 473)-----	269,031,121.57	481,470,888.40	453,738,675.60	589,329,692.44	1,190,226,501.53	4,700,377,863.19
II. Transactions in checking accounts of Government agencies, etc. (see p. 475)-----	312,618,260.64	a 407,391,640.32	71,102,957.13	a 153,946,592.78	778,063,884.34	4,403,068,674.50
Total expenditures-----	581,649,382.21	74,079,248.08	524,841,632.73	435,383,159.66	1,968,290,385.87	9,103,446,537.69

a Excess of credits (deduct).





Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
I. General:							
A. Departmental (not otherwise classified):							
Agriculture Department.....	\$9,550,126.46	\$6,989,287.01	\$7,017,331.09	\$6,590,237.13	\$6,790,105.39	\$85,747,696.36	\$81,619,309.12
Commerce Department.....							
Civil Aeronautics Authority.....	2,477,717.47	3,036,328.89	2,700,747.38	3,222,567.87	3,000,446.34	38,977,734.07	39,631,907.16
Office of Surplus Property <sup>1</sup> .....	1,038,453.75	1,180,049.27	1,264,240.17	595,368.50	1,312,732.85	11,103,432.70	11,103,432.70
Other.....	3,181,274.28	4,331,827.77	4,416,849.55	3,740,894.80	4,605,778.34	41,442,790.54	31,794,989.61
Executive Office:							
Bureau of the Budget.....	152,449.76	172,901.18	210,631.65	168,214.43	182,662.79	1,919,038.19	1,731,421.27
Executive proper.....	52,560.04	47,794.19	41,120.52	45,581.78	51,854.07	527,611.94	519,743.89
National Resources Planning Board.....							
Other.....			352.77	305.82		20.97	154,622.60
Independent offices and commissions:							
Interior Department.....	8,247,482.84	11,146,370.28	9,253,474.42	10,414,306.60	9,689,368.03	119,108,335.66	100,926,828.42
Judicial.....	9,503,515.79	7,146,854.97	6,146,650.23	7,935,560.88	7,998,966.79	87,159,404.54	86,029,671.77
Justice Department.....	1,028,923.83	1,096,607.82	1,105,397.30	1,117,267.08	1,114,142.87	13,066,336.70	13,076,688.49
Labor Department.....	7,511,953.01	8,088,867.55	5,337,383.96	5,577,998.82	4,430,326.16	68,218,156.81	71,110,415.14
Legislative establishment.....	1,711,062.16	1,360,076.06	2,433,310.71	1,895,612.93	1,470,385.78	20,879,106.33	22,094,538.83
Post Office Department.....	4,049,904.50	3,129,876.08	2,716,105.30	34,128.41	1,924,453.35	28,893,273.21	28,780,791.24
State Department.....	139,901.75	<sup>a</sup> 50,952.10	96,172.93	28,027.44	24,395.55	<sup>a</sup> 162,869.74	6,832,508.92
Treasury Department.....	4,911,750.80	4,006,081.93	5,299,122.91	3,925,416.84	7,557,121.90	52,289,102.02	38,101,003.58
Unclassified.....	21,082,516.74	25,633,538.53	22,664,175.39	33,465,226.24	25,874,179.46	300,015,968.51	285,181,210.88
Unclassified.....	56,965.19	84,489.76	<sup>a</sup> 305,293.46	1,064,410.75	<sup>a</sup> 552,532.32	762,804.63	<sup>a</sup> 822,744.41
Adjustment for disbursing officers' checks outstanding.....	75,296,558.37	77,999,999.19	70,397,772.82	79,823,326.41	75,474,387.38	869,980,901.40	806,758,643.88
Subtotal.....	+40,022.99	+22,025.88	+19,290.57	-154,957.88	+30,146.98	+22,406,000.36	-13,901,092.22
	75,336,581.36	78,022,025.07	70,416,973.39	79,668,368.53	75,504,534.36	892,386,901.76	792,857,551.66

<sup>a</sup> Excess of credits (deduct).<sup>1</sup> In accordance with Executive Order 9541, dated Apr. 19, 1945, the Office of Surplus Property was transferred from Treasury Department to Commerce Department. Accordingly, the expenditures under "Departmental: Treasury Department" have been reduced by the amounts now shown under the classification "Departmental: Commerce Department: Office of Surplus Property."

TABLE 4.—*Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

## PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1945						December 1944	January 1945
	July 1944	August 1944	September 1944	October 1944	November 1944			
I. General—Continued.								
B. Agricultural programs: <sup>2</sup>								
Farm Credit Administration: <sup>3</sup>								
Banks for cooperatives—capital stock	• \$218,599.26	• \$978,599.31	• \$2,676,836.16	• \$4,022,651.71	• \$3,658,275.55	• \$1,003,196.45	• \$423,923.44	
Other	271,638.68	301,020.98	479,580.09	899,793.22	738,096.04	678,186.42	• 39,679.18	
Unclassified	• 71,975.53	71,975.53		392.24	• 392.24			
Federal Farm Mortgage Corporation, reduction in interest rate on mortgages								
Federal land banks:		1,365,182.58						4,673.40
Capital stock	• 149,525.00	• 38,505.00			• 1,001,900.00			
Reduction in interest rates on mortgages		4,221,855.65			• 89.84			
Subscriptions to paid-in surplus	• 722,384.78		• 3,000,000.00		• 4,500,000.00	• 3,000,000.00	• 2,000,000.00	11,430.36
Forest roads and trails	775,071.82	621,046.92	777,119.35	542,900.23	596,850.75	513,914.73	519,336.34	
Rural Electrification Administration:								
Loans	544,646.46	• 1,137,034.66	2,283,388.46	1,483,346.80	673,505.11	706,853.56	718,186.89	
Other	207,281.66	226,505.21	211,690.82	220,015.28	213,992.23	225,551.29	240,169.09	
Unclassified							• 124.74	
War Food Administration:								
Agricultural Adjustment Agency:								
Conservation and use of agricultural land resources	30,252,374.84	7,013,677.00	15,261,154.17	14,337,969.75	14,267,509.55	16,220,507.89	23,794,202.06	
Parity Payments and Price Adjustment Act of 1938	553,692.54	85,035.14	75,372.48	47,810.08	17,771.80	35,404.46	16,099.95	
Other	• 88.33	50.11	609.70	52.43	• 5.58	• 621.38	• 278.90	
Unclassified	288.13	• 810.37	522.24	• 50.99	50.99	• 31.67	97.23	
Commodity Credit Corporation—Restoration of capital impairment								

Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
I. General—Continued.							
B. Agricultural programs: <sup>2</sup>							
Farm Credit Administration: <sup>3</sup>							
Banks for cooperatives—capital stock	\$2,128,912.42	\$4,050,196.22	\$2,000,000.00	\$1,500,000.00	\$135,508.47	\$500,000.00	\$5,000,000.00
Crop loans	41,593.26	472,283.30	2,827,608.25	1,266,125.80	526,398.96	3,173,670.72	3,173,670.72
Other	400.00	400.00	209,315.99	2,533,760.99	12.61	7,111,994.75	2,927,469.82
Unclassified							
Federal Farm Mortgage Corporation, reduction in interest rate on mortgages							
Federal land banks:							
Capital stock	1,074,660.00		2,145.11			1,372,001.09	7,215,126.54
Reduction in interest rates on mortgages	19.02					2,264,590.00	1,347,835.00
Subscriptions to paid-in surplus	23,456,093.66	6,804.31	920.42	225.35		4,240,676.53	21,236,376.83
Forest roads and trails	355,988.09	11,425,000.00	4,500,000.00	5,606,283.50	2,880,582.85	61,090,344.79	6,521,078.17
Rural Electrification Administration:		457,103.29	425,494.80	531,015.76	783,448.82	6,899,290.90	5,843,771.65
Loans	606,198.33	569,861.42	547,449.06	756,208.74	645,849.18	8,398,559.35	1,995,071.86
Other	227,892.22	261,503.36	169,075.20	300,041.20	228,107.98	2,731,825.54	2,578,971.52
Unclassified	124.74						
War Food Administration:							
Agricultural Adjustment Agency: Conservation and use of agricultural land resources	17,784,886.64	29,348,219.97	60,248,877.23	57,395,576.53	4,732,276.34	281,192,679.32	413,008,131.29
Parity Payments and Price Adjustment Act of 1938	9,661.56	11,099.44	6,777.04	742,495.97	29,258.29	145,486.81	163,314,060.21
Other	48.66	28.46	2.18	19.86	136.30	513.05	44,295.40
Unclassified	161.34	11,795.03	11,782.03	2,833.87	1,059.79	1,566.18	
Commodity Credit Corporation—Restoration of capital impairment				4,256,764,881.04		256,764,881.04	

<sup>a</sup> Excess of credits (deduct).<sup>2</sup> Additional expenditures are included in Department of Agriculture under "Departmental" above. During the fiscal year 1945 the classifications under "Agricultural programs" were rearranged to conform with the organization in the Department of

Agriculture. Expenditures for the fiscal year 1944 have been arranged accordingly for comparative purposes.

<sup>3</sup> Additional transactions are included in revolving funds stated separately below.<sup>4</sup> Represents \$39,436,884.93 and \$217,327,996.11, capital impairment applicable to fiscal years 1943 and 1944, respectively, but not appropriated by Congress until Apr. 25, 1945.

TABLE 4.—*Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

## PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
1. General—Continued.						
B. Agricultural programs 2—Continued.						
War Food Administration—Continued.						
Farm Security Administration:						
Flood loans and grants	\$50,610.31	\$9,821.87	\$87,026.21	\$69,935.95	\$47,383.65	\$17,310.76
Loans, rehabilitation and other	2,366,786.25	2,003,629.15	2,016,548.07	2,273,810.49	2,079,285.18	2,050,507.73
Unclassified	a 16,330.84	9.05	331.38	a 340.00		31.67
Office of Distribution:						
Administration of Sugar Act of 1937	3,453,869.67	1,748,342.93	321,510.50	358,303.96	100,627.75	517,753.78
Exportation and domestic consumption of agricultural commodities	6,578,047.18	3,629,725.99	2,923,466.63	2,415,288.15	3,542,603.53	5,252,056.32
Salaries and expenses, Marketing Service	1,111,087.10	1,297,201.71	1,375,121.97	1,326,237.43	1,429,180.88	1,452,266.12
Unclassified	a 27.18	429.60	a 295.82	a 85.65	a 20.95	a 32.62
Soil Conservation and Extension Service	10,375,399.21	3,256,377.76	2,943,217.61	1,632,462.95	2,424,379.05	2,352,984.98
Other:						
Farm Tenant Act	246,438.74	220,101.89	216,859.41	305,175.10	248,243.81	210,651.54
Federal Crop Insurance Act: Administrative expenses.	40,642.17	33,404.99	21,604.88	30,767.21	21,940.50	22,717.28
Subscriptions to capital stock of Federal Crop Insurance Corporation						a 1,010,776.02
Other	1,700.32	1,706.28	1,031.23	2,339.81	1,240.85	4,332.47
Unclassified	a 23,259.43	a 872.74	a 8,622.46	a 414.63	a 42.44	45.62
Subtotal	55,627,984.73	23,951,278.26	23,310,400.76	21,923,058.13	17,242,135.07	25,657,294.50
						48,225,433.50



Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
I. General—Continued.							
B. Agricultural programs <sup>2</sup> —Continued.							
War Food Administration—Continued.							
Farm Security Administration:							
Flood loans and grants	\$61,053.97	\$52,866.62	\$45,356.88	\$22,030.40	\$15,585.07	\$903,701.19	\$2,090,598.06
Loans, rehabilitation and	1,729,332.61	2,392,465.90	1,771,921.19	2,106,844.72	1,960,720.22	25,131,913.20	32,578,685.55
Unclassified	a 61.02	11,613.29	a 11,568.13	4.54	a 21.12	a 16,346.99	16,330.41
Office of Distribution:							
Administration of Sugar Act	4,413,043.12	9,493,855.69	8,769,228.17	5,369,949.10	2,685,260.09	40,885,440.68	58,184,396.40
Exportation and domestic							
consumption of agricultural	5,277,466.57	7,974,599.48	6,423,649.83	11,601,007.55	5,930,763.10	69,385,339.85	97,925,822.34
commodities							
Salaries and expenses, Mar-	1,275,543.99	1,455,709.32	965,878.57	1,317,841.26	1,025,777.77	15,428,431.88	15,038,276.30
keting Service	a 4.50	a 96.34	a 19.95	13,352.15	a 13,292.09	a 30.73	-----
Unclassified							
Soil Conservation and Extension	2,911,148.24	2,527,807.78	2,437,445.91	2,676,777.74	2,569,819.86	47,262,618.93	42,362,606.11
Service							
Other:							
Farm Tenant Act	213,399.47	219,015.18	206,141.41	235,971.39	187,637.10	2,717,164.94	3,301,214.07
Federal Crop Insurance Act:	23,614.83	1,662,670.66	34,317.58	180,657.80	18,612.15	1,080,174.03	2,764,631.63
Administrative expenses							
Subscriptions to capital							
stock of Federal Crop							
Insurance Corporation							
Unclassified	2,597.91	a 3,117.25	522.37	2,072.17	2,318.50	19,025.59	5,000,000.00
Other	2,934.32	847.01	a 3,784.54	a 63.12	76.62	a 33,204.20	20,578.79
Subtotal	12,535,073.77	49,528,175.16	78,588,583.99	338,582,233.82	9,119,293.27	704,240,944.96	873,862,862.51

Expenditures for the fiscal year 1944 have been arranged accordingly for comparative purposes.

<sup>1</sup> Excess of credits (deduct).  
<sup>2</sup> Additional expenditures are included in Department of Agriculture under "Departmental." During the fiscal year 1945 the classifications under "Agricultural programs" were rearranged to conform with the organization in the Department of Agriculture.

TABLE 4.—Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued

DETAIL OF EXPENDITURES—Continued  
PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1945						January 1945
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	
I. General—Continued.							
C. Federal Security Agency and Federal Works Agency:							
Federal Security Agency:							
Civilian Conservation Corps	\$11,328.04	° \$61,045.85	\$11,814.08	° \$45,746.91	\$3,125.22	\$5,533.02	\$11,546.75
Social Security Board:							
Administrative expenses	1,757,687.03	° 2,489,695.02	5,465,208.62	2,118,682.10	2,110,424.49	2,094,204.71	2,279,094.71
Grants to States (social security)	46,737,995.52	37,917,298.14	27,365,862.98	43,580,724.77	35,260,374.70	28,879,219.22	46,201,621.60
Other							
Unclassified	302,434.61	° 318,119.13	835,537.35	° 818,859.39	° 69,714.45	68,575.46	1,525.71
Other	9,794,042.07	14,515,447.10	4,346,747.24	10,772,990.20	4,103,187.28	4,419,872.92	9,440,483.06
Federal Works Agency:							
Public Buildings Administration:							
Construction	° 208,572.50	94,138.57	862,224.77	° 450,128.22	80,016.51	25,266.91	220,541.81
Other	3,530,488.63	3,974,182.63	3,699,407.91	4,777,319.53	2,663,783.46	4,131,168.49	4,789,908.92
Unclassified	3.47	° 8,756.07	3,658.90	5,085.87	11.30	99,930.22	° 99,930.22
Public Roads Administration	6,201,143.27	4,578,449.58	4,341,180.98	6,081,437.78	3,905,180.10	3,889,941.73	5,987,519.33
Public Works Administration:							
Administrative expenses	3,771.70	96.51	69.32				° 28.00
Grants (act June 21, 1938)							
Other	40,561.90	13,781.30	48,370.15	13,683.05	1,598.60	804.35	
Unclassified	° 6,511.45	6,511.45					
Work Projects Administration	94,651.63	1,413,865.10	14,138.75	8,603.06	3,191.88	6,185.53	1,008.24
Other	53,175.10	134,951.89	279,627.91	1,673,837.47	284,648.75	59,833.50	675,405.36
Subtotal	68,342,798.92	59,771,104.70	47,273,848.96	67,717,629.31	48,345,827.84	43,710,536.06	69,508,697.27
D. Other:							
Interior Department: <sup>5</sup>							
Reclamation projects							
National Housing Agency:							
Federal Housing Administration	3,672,548.15	4,358,697.21	3,788,716.03	3,722,671.75	3,810,194.36	4,651,746.65	6,787,584.73
Federal Public Housing Authority	169,598.10	4,109.98	° 350.08	75.00	° 7,802.60	1,192,765.33	1,196.94
Other	1,092,856.60	° 194,780.63	275,346.03	1,492,771.05	147,940.95	330,870.89	° 219,402.84
Panama Canal	297,314.16	332,285.55	220,836.39	° 267,654.44	456,923.44	838,220.05	230,668.54
Post Office Department (deficiency):	567,801.74	717,716.27	392,124.57	° 231,888.87	° 336,357.48		1,126,142.65
Current							
Prior years	31,502.31	712.94					

Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
I. General—Continued.							
C. Federal Security Agency and Federal Works Agency:							
Federal Security Agency:							
Civilian Conservation Corps.....	\$3,018.38	\$2,452.00	\$2,641.28	\$782.76	\$4,165.06	\$50,386.17	\$169,887.07
Social Security Board:							
Administrative expenses.....	1,622,740.02	2,501,427.43	2,140,394.88	2,324,264.26	2,141,190.83	24,095,023.06	24,121,872.55
Grants to States (social security).....	27,733,383.30	31,822,156.19	42,045,379.88	34,513,482.62	28,526,194.31	430,583,693.23	464,321,686.81
Other.....	327,433.67	327,743.15	272.53	761.83	12,897.77	12,861.45	1,924.78
Unclassified.....	7,030,805.60	7,118,976.93	9,787,908.92	7,212,443.30	5,642,538.31	94,216,042.93	87,739,685.75
Other Works Agency:							
Public Buildings Administration:							
Construction.....	182,573.27	197,753.54	97,850.37	318,928.74	72,823.34	1,347,770.43	3,331,922.84
Other.....	3,644,032.29	3,888,220.33	3,271,792.16	3,050,154.28	3,099,144.75	44,519,603.38	48,483,471.79
Unclassified.....	12.45	63,185.25	127,194.55	56,111.86	18,084.84	10,196.38	10,206.31
Public Roads Administration:							
Public Works Administration: <sup>3</sup>	3,483,188.66	3,033,422.27	4,576,890.98	596,876.38	3,228,799.38	49,010,277.68	66,045,402.45
Administrative expenses.....	63.36					3,972.89	35,457.42
Grants (act June 21, 1938).....				393.14		393.14	3,581,737.61
Other.....	1,004.75	4.66				119,799.44	925,923.40
Unclassified.....			2.84	2.84			13
Work Projects Administration:							
Other.....	1,383,297.79	1,821.47	11,423.40	11,105.89	3,922.33	186,619.39	16,873,386.60
Other.....	565,207.26	138,420.86	62,813.61	589,973.90	586,964.02	5,104,859.13	973,366.91
Subtotal.....	43,210,140.32	48,313,717.96	62,424,020.34	47,366,989.70	43,129,113.04	649,114,424.42	716,614,379.59
D. Other:							
Interior Department: <sup>4</sup>							
Reclamation projects.....							
National Housing Agency:							
Federal Housing Administration.....	2,990,021.63	4,250,911.95	2,936,075.76	5,389,938.02	3,346,861.78	49,705,968.02	53,890,795.85
Federal Public Housing Authority.....	1,019.00	351.42	530.12	540.11		166,149.77	233,449.26
Other.....	41,323.11	3,023,259.91	140,037.28	851,815.93	1,062,706.56	8,906,639.28	9,939,485.27
Panama Canal.....	345,042.52	42,817.09	269,062.94	584,511.93	3,148.90	2,839,530.10	4,556,060.67
Post Office Department (deficiency):							
Current.....	111,896.33	1,488,579.74	796,874.61	2,560,970.38	859,427.15	8,891,507.14	12,372,877.26
Prior years.....	2,477.84				615,075.44	649,768.33	28,999,995.19

<sup>1</sup> Excess of credits (deduct).

<sup>2</sup> Additional transactions are included in revolving funds stated separately below.

<sup>3</sup> Additional expenditures in corresponding caption under "Departmental" above.

<sup>4</sup> This item has been reduced by \$37,612,461.35. Expenditures under War Department have been increased by like amount on expenditures previously made by the Public Works Administration in connection with work performed for the War Department.





Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
I. General—Continued.							
D. Other—Continued.							
Railroad Retirement Board:							
Acquisition of service and compensation data.....	\$2.50	\$342.00	\$190,990.93	\$186,027.41	\$229,827.11	\$74,027.50	\$381,880.50
Administrative expenses.....	179,092.89	191,364.88				2,208,222.85	2,129,451.30
Railroad unemployment insurance administration fund.....	211,617.30	330,609.47	262,203.12	371,016.09	292,469.20	3,650,241.04	3,184,673.09
Unclassified.....			83.80	83.80			
River and harbor work and flood control.....	7,494,504.30	9,773,376.98	7,658,058.63	10,939,216.33	11,313,461.90	141,837,858.84	177,154,061.26
Tennessee Valley Authority.....	141,958.97	357,689.91	804,223.39	15,406.79	2,123,283.34	20,067,994.04	65,149,149.17
Treasury Department:							
Interest on the public debt.....	90,726,883.84	628,423,881.64	138,653,650.57	65,747,929.20	1,009,231,476.76	3,616,686,048.31	2,608,979,805.62
Refunds of taxes and duties:							
Customs.....	717,065.96	1,053,652.37	842,044.19	2,700,157.65	1,323,186.03	13,843,207.88	14,200,774.18
Internal revenue:							
Excess profits tax revenue.....	54,188,452.11	88,541,905.86	109,380,316.31	151,818,971.19	96,358,250.65	893,681,425.91	134,032,175.28
Other.....	101,843,867.56	144,913,020.13	35,499,536.96	27,093,900.22	117,381,236.42	806,570,153.35	118,015,492.35
Processing tax on farm products.....	2,826.11	68,105.92	20.00	5,829.92		786,262.27	421,377.13
Unclassified.....	1,512.25	21.99	1,595.87	572.45	45.11	761.52	161.41
Veterans' Administration.....	74,980,867.55	84,945,071.71	85,132,207.13	94,700,662.51	96,116,111.14	934,147,191.32	628,729,853.29
Subtotal.....	333,691,451.33	966,089,583.15	382,564,112.27	362,966,469.71	1,340,250,269.69	6,504,711,434.63	3,804,371,204.88
Total general expenditures.....	464,773,246.78	1,142,553,501.34	593,993,689.99	828,584,061.76	1,468,003,210.36	8,750,503,705.77	6,187,705,998.64
II. War activities: <sup>7</sup>							
War Department.....	3,865,889,657.92	4,684,227,630.24	4,115,863,722.93	4,530,459,839.48	4,663,635,489.04	50,336,795,083.28	49,242,377,389.76
Navy Department.....	2,392,181,725.42	2,758,809,400.43	2,291,968,138.22	2,724,162,290.86	2,288,851,903.83	30,047,152,135.15	26,537,633,877.26
Agriculture Department.....	146,812,321.46	85,150,873.86	68,057,316.62	86,985,949.69	80,408,227.07	1,198,129,249.57	2,143,403,788.69
Federal Security Agency:							
Office of Education.....	454,649.54	2,151,574.92	5,792,417.23	1,639,225.42	35,281.99	45,847,277.72	74,672,068.74
Other.....	4,398,827.87	6,827,868.60	3,634,473.63	3,849,203.40	2,166,761.25	76,488,870.32	58,106,165.41
Unclassified.....	1,064.44	794.60	269.20	75.02	67.51	124.68	20,359.87
Federal Works Agency:							
Public Roads Administration.....	2,966,530.13	2,534,041.10	802,401.29	7,583,574.22	3,325,163.03	53,657,859.62	102,158,113.64
Public works (community facilities).....	14,857,729.98	8,866,952.86	8,303,816.08	11,437,889.97	7,303,313.86	123,226,849.91	133,356,849.91
Other.....	5,911,135.64	2,711,641.66	844,357.38	452,676.61	1,414,669.04	8,328,580.71	7,802,356.01
Unclassified.....	129,830.40	551,371.39	550,400.90	1,324.90	43,389.11	43,950.40	18,792.13

<sup>a</sup> Excess of credits (deduct).

<sup>b</sup> Additional expenditures in corresponding caption under "Departmental" above.

<sup>7</sup> Additional expenditures attributable to war activities, payable from funds which have supplemented regular appropriations of the civil establishment, are included under general expenditures in group I, above.

TABLE 4.—Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued

## DETAIL OF EXPENDITURES—Continued

## PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1945						December 1944	January 1945
	July 1944	August 1944	September 1944	October 1944	November 1944			
II. War activities 7—Continued.								
National Housing Agency.....	\$21,937,612.02	\$16,647,170.83	\$13,967,921.15	\$1,304,504.91	\$8,492,976.44	\$14,322,941.10	\$5,597,043.02	
Selective Service (administrative expenses).....	7,709,065.44	5,745,842.29	3,606,434.41	6,154,877.60	4,468,553.31	4,402,258.91	4,431,109.79	
Treasury Department.....	124,373,190.86	151,634,645.50	102,355,905.82	104,512,831.28	117,752,963.36	124,206,300.61	137,184,414.94	
United States Maritime Commission.....	130,202,891.06	371,638,020.80	334,981,044.69	326,283,961.72	297,894,768.88	312,095,874.11	184,195,040.35	
War Shipping Administration.....	194,023,244.84	134,199,645.23	102,149,297.41	145,032,347.11	151,622,563.99	182,578,426.08	179,886,358.84	
Aid to China.....				20,050,763.98				
Payments for United Nations Relief and Rehabilitation Administration.....								
Agriculture Department.....								
Executive Office.....								
Office for Emergency Management: Foreign Economic Administration.....	4,000,000.00	250,000.00		145,000.00			600,000.00	
War Shipping Administration.....							64.58	
Treasury Department.....							1,845,087.67	
Other.....							52,636.09	
Unallocated.....								
Other:								
Commerce Department.....	9,929,545.59	11,703,051.09	10,762,401.13	7,735,586.01	8,135,364.82	8,744,855.90	5,078,688.51	
Executive Office.....								
Office for Emergency Management.....	38,926,758.61	28,965,785.32	19,630,439.71	35,737,430.84	29,904,981.18	35,171,457.03	33,275,373.00	
Other.....	18,184,396.16	21,966,171.06	20,170,253.60	20,208,337.16	22,104,935.78	20,526,413.35	20,871,402.94	
Justice Department.....	3,591,259.79	4,298,887.99	3,702,535.87	3,893,027.94	3,619,597.49	3,535,501.23	2,126,425.49	
Office of War Mobilization and Recon- version.....								
Panama Canal.....	370,553.66	837,950.16	137,101.23	424,600.14	11,607.37	16,767.54	120,252.15	
Smaller War Plants Corporation— capital stock.....	9,712,681.83	7,649,734.93	9,497,345.37	9,660,647.22	11,233,772.48	10,864,439.33	7,789,461.69	
Other.....	41,131,965.63	20,553,675.51	6,550,300.84	21,862,835.79	17,052,707.52	19,529,110.00	3,019,081.88	
Unallocated.....	a 125,295.84	1,411,609.35	665,122.06	a 800,130.97	2,142,383.21	a 1,790,214.32	a 438,004.16	
Subtotal.....	7,200,827,654.21	7,570,779,416.63	6,997,921,970.82	7,478,651,386.89	7,400,782,821.70	7,502,862,604.51	7,550,975,694.61	

Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
II. War activities <sup>1</sup> —Continued.							
National Housing Agency.....	\$823,946,236.33	\$8,084,138.00	\$7,676,467.81	\$1,348,774.92	\$11,425,818.72	\$69,873,179.11	\$538,768,704.05
Selective Service (administrative expenses).....	4,528,026.56	4,316,065.82	5,032,759.71	5,098,317.69	5,120,070.49	62,613,382.02	59,430,168.62
Treasury Department.....	93,663,556.45	135,691,223.10	103,613,373.02	159,398,995.51	102,947,866.18	1,462,335,266.63	1,432,044,410.45
United States Maritime Commission.....	227,575,714.61	259,369,004.76	246,141,108.78	259,002,505.48	277,278,850.34	3,226,539,325.48	3,811,704,050.35
War Shipping Administration.....	163,526,608.48	188,739,918.02	168,273,014.26	209,424,432.37	220,432,438.33	2,041,899,324.96	1,922,137,130.98
Aid to China.....				60,152,342.45	60,152,331.03	140,355,437.46	
Payments for United Nations Relief and Rehabilitation Administration: Agriculture Department.....		151,132.25	815,780.25	2,446,787.73	7,005,919.48	10,419,619.71	
Executive Office: Office for Emergency Management: Foreign Economic Administration.....				15,000,000.00	26,050,000.00	51,365,000.00	
War Shipping Administration.....	9,736.01	1,116.20	13,301.13	30,171.14	3,684.18	58,073.24	
Treasury Department.....	2,862,656.72	4,639,034.76	23,569,119.72	9,306,449.81	8,570,302.91	51,363,356.54	
Other.....	50,616.47	55,528.97	51,568.18	57,977.10	74,025.95	432,177.47	
Unclassified.....					<sup>a</sup> 70.84	<sup>a</sup> 70.84	
Other:							
Commerce Department.....	4,394,947.60	4,162,580.24	2,760,814.73	2,568,292.91	10,905,703.10	86,881,831.63	132,791,192.87
Executive Office: Office for Emergency Management.....	20,465,654.01	29,683,624.75	32,037,475.58	15,828,158.45	17,030,846.36	336,657,984.84	420,830,035.64
Other.....	19,069,125.70	24,684,904.83	19,582,037.94	23,924,770.95	20,282,305.76	231,585,055.23	243,120,018.35
Justice Department.....	413,069.83	927,006.85	2,092,158.63	3,912,076.24	3,968,124.86	36,080,272.21	42,698,791.15
Office of War Mobilization and Recon- version <sup>9</sup> .....	74,837.13	113,969.54	96,041.98	<sup>a</sup> 93,905.71	134,912.90	474,482.90	
Panama Canal.....	135,265.08	<sup>a</sup> 124,133.70	119,169.18	83,765.94	133,338.85	2,577,486.08	6,425,829.40
Smaller War Plants Corporation— capital stock.....	7,692,132.98	13,913,721.57	11,868,663.83	13,022,622.93	7,173,327.31	120,078,551.47	57,382,091.11
Other.....	4,361,718.56	15,528,961.04	15,212,798.44	10,416,740.37	11,916,819.48	187,136,715.06	82,430,813.23
Unclassified.....	<sup>a</sup> 254,706.73	2,252,259.31	<sup>a</sup> 234,525.42	<sup>a</sup> 1,605,595.21	<sup>a</sup> 386,070.12	836,831.16	5,005,492.40
Subtotal.....	6,948,395,795.17	8,245,939,462.69	7,138,858,441.23	8,155,892,930.80	7,837,257,333.68	90,029,145,512.84	87,038,671,937.86

<sup>a</sup> Excess of credits (deduct).<sup>1</sup> See note 7, p. 467.<sup>9</sup> Excess credits due to rental collections, other repayments, and transfers from Navy Department.<sup>9</sup> Adjusted effective January 1945 to include Office of Contract Settlement formerly included under "Other."

TABLE 4.—*Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

## DETAIL OF EXPENDITURES—Continued

## PART A. GENERAL AND SPECIAL ACCOUNTS—Continued

Classification	Fiscal year 1945							
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944		
III. Revolving funds (net):								
Farm Credit Administration:								
Production credit corporations—capital stock	\$439,537.87	a \$585,723.33	a \$1,102,155.96	a \$1,813,362.70	a \$2,968,217.36	a \$3,733,469.34	a \$3,092,252.23	
Public Works Administration: Loans and grants to States, municipalities, etc.	a 500,601.89	104,940.00	a 1,453.15	471,453.15	37,300.00		a 507,300.00	
Subtotal	a 61,064.02	a 480,783.33	a 1,103,609.11	a 1,341,909.55	a 2,930,917.36	a 3,733,469.34	a 3,599,552.23	
IV. Transfers to trust accounts, etc.:								
Adjusted service certificate fund	9,000,000.00							
Federal contribution to District of Columbia (United States share)	6,000,000.00							
Government employees' retirement funds (United States share):								
Alaska Railroad retirement fund	175,000.00							
Canal Zone retirement fund	1,177,000.00							
Civil service retirement fund	194,500,000.00							
Foreign service retirement fund	910,500.00							
National service life insurance fund	34,529,118.33	48,173,588.44	21,745,949.10	12,979,332.24	18,109,903.97	21,584,797.42	34,864,701.10	
Office of Distribution (surplus commodity stamps)		b 294,026.50		34,000,000.00				
Railroad retirement account	204,817,000.00						34,500,000.00	
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act Oct. 10, 1940)		8,948,213.00						
Subtotal	451,102,618.33	56,827,744.94	21,745,949.10	46,979,332.24	18,109,903.97	21,584,797.42	69,364,701.10	
Total expenditures (excluding public debt retirements)								
V. Public debt retirements:								
Estate taxes, forfeitures, gifts, etc.	8,109,802,318.80	8,119,208,490.19	7,929,752,530.21	8,024,042,607.30	7,827,656,677.98	8,415,687,503.79	8,201,711,158.80	
Sinking fund						500.00		
Subtotal						500.00		
Total expenditures (including public debt retirements)	8,109,802,318.80	8,119,208,490.19	7,929,752,530.21	8,024,042,607.30	7,827,656,677.98	8,415,688,003.79	8,201,711,158.80	



Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
III. Revolving funds (net): Farm Credit Administration: Production credit corporations—capital stock.....							
Other.....	• \$1,864,611.57	• \$826,575.72	• \$365,364.83	• \$6,208,280.84	\$1,195,912.90	• \$20,924,543.11	• \$5,000,000.00 • \$2,943,810.44
Public Works Administration: Loans and grants to States, municipalities, etc.	507,300.00		• 101,400.00	• 6,296.55	107,696.55	111,638.11	• 1,031,143.21
Subtotal.....	• 1,357,311.57	• 826,575.72	• 466,764.83	• 6,214,557.39	1,303,609.45	• 20,812,905.00	• 38,974,953.65
IV. Transfers to trust accounts, etc.: Adjusted service certificate fund.....						9,000,000.00	-----
Federal contribution to District of Columbia (United States share).....						6,000,000.00	6,000,000.00
Government employees' retirement funds (United States share): Alaska Railroad retirement fund.....							175,000.00
Canal Zone retirement fund.....							1,177,000.00
Civil service retirement fund.....							175,104,000.00
Foreign service retirement fund.....							865,600.00
National service life insurance fund.....	48,102,695.79	45,032,942.70	200,395,962.53	296,361,995.44	334,649,728.37	1,116,524,685.43	101,208,962.49
Office of Distribution (surplus commodity stamps).....							• 2,840,031.50
Railroad retirement account.....							262,720,000.00
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act Oct. 10, 1940).....							
Subtotal.....	48,102,695.79	45,032,942.70	235,895,962.53	296,361,995.44	334,649,728.37	1,645,738,371.93	11,699,700.00
Total expenditures (excluding public debt retirements).....							556,110,230.99
V. Public debt retirements: Estate taxes, forfeitures, gifts, etc.....	7,459,914,426.17	9,432,699,330.91	7,968,281,328.92	9,274,624,430.61	9,641,213,881.86	100,404,594,685.54	93,743,513,213.84
Sinking fund.....							
Subtotal.....					1,500.00	2,000.00	2,650.00 • 1,000.00
Total expenditures (including public debt retirements).....							1,650.00
	7,459,914,426.17	9,432,699,330.91	7,968,281,328.92	9,274,624,430.61	9,641,215,381.86	100,404,596,685.54	93,743,514,863.84

• Excess of credits (deduct).

• Counter-entry receipts (deduct). Represents partial return of funds transferred to "Trust Accounts, etc.—Receipts: Office of Distribution: Transfers from General Fund."

TABLE 4.—*Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

DETAIL OF EXPENDITURES—Continued

PART B TRUST ACCOUNTS, ETC.

Classification	Fiscal year 1945						
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	January 1945
I. Trust accounts, etc.:							
Federal old-age and survivors insurance trust fund:							
Benefit payments.....	\$16,629,587.51	\$18,118,207.25	\$18,402,005.69	\$19,203,937.93	\$18,996,137.67	\$19,247,798.79	\$20,032,049.93
Investments.....	ε 12,000,000.00		279,964,120.00			290,000,000.00	ε 13,000,000.00
Office of Distribution:							
Redemption of commodity stamps.....	206,564.55	4,840.00	452.67	1,418.00	813.50	8,509.75	369.00
Railroad retirement account:							
Benefit payments.....	10,664,311.89	12,218,891.85	11,869,663.84	11,793,856.06	11,576,488.00	11,619,192.60	11,851,734.75
Investments.....	194,000,000.00	ε 11,000,000.00	ε 11,000,000.00	22,000,000.00	ε 12,000,000.00	ε 11,000,000.00	22,500,000.00
Unemployment trust fund:							
Investments.....	43,000,000.00	298,000,000.00	34,000,000.00	23,000,000.00	278,000,000.00	33,000,000.00	74,000,000.00
Railroad unemployment insurance account.....							
State accounts:							
Withdrawals by States.....	24,126.82	17,064.61	47,744.04	45,064.52	44,604.11	53,070.00	99,541.21
Transfers to railroad unemployment insurance account (act June 25, 1938).....	3,820,000.00	4,550,500.00	4,214,500.00	4,829,000.00	4,580,000.00	4,910,000.00	6,873,000.83
Other trust accounts:							
Adjusted service certificate fund:							
Investments.....	111,006.00		1,000.00	53,195.60	13,000.00		96,772.00
Other.....							
Alaska Railroad retirement fund:							
Annuities and refunds.....	9,000,000.00		ε 300,000.00	ε 200,000.00	ε 180,000.00	ε 5,200,000.00	ε 10,000.00
Investments.....	186,264.25	210,100.91	241,844.50	150,885.89	271,613.30	293,881.22	1,445,241.89
Canal Zone retirement fund:							
Annuities and refunds.....	17,062.62	19,307.58	13,448.48	16,400.96	12,934.92	18,770.03	21,593.96
Investments.....	130,000.00	ε 25,000.00					10,000.00
Civil service retirement fund:							
Annuities and refunds.....	125,698.69	148,150.04	130,318.85	119,753.12	123,245.15	122,498.30	122,785.69
Investments.....	1,047,000.00	ε 50,000.00	ε 22,000.00	ε 101,000.00			21,000.00
District of Columbia.....							
Annuities and refunds.....	9,806,429.77	10,244,608.46	10,115,411.61	12,129,994.91	12,367,052.53	12,274,806.88	12,257,543.67
Investments.....	196,700,000.00	27,400,000.00	13,630,000.00	11,930,000.00	6,669,000.00	9,564,000.00	11,075,000.00
Foreign service retirement fund:	13,280,118.50	3,920,573.70	3,946,744.64	4,941,563.96	4,482,975.81	5,378,742.26	4,084,040.38
Annuities and refunds.....							
Investments.....	42,941.58	48,765.90	40,863.83	42,876.03	45,298.36	44,271.15	43,510.89
Government life insurance fund:	850,000.00	ε 40,000.00	ε 20,000.00	ε 40,000.00	ε 15,000.00	ε 50,000.00	ε 15,000.00
Benefits, refunds, etc.....	3,134,911.62	339,563.98	2,563,752.01	208,216.71	479,234.48	1,939,931.75	2,313,355.83
Investments.....	3,026,600.00	5,100,000.00	6,399,689.50	4,900,000.00	2,800,000.00	4,800,000.00	2,400,000.00
Indian tribal funds.....	451,261.57	262,513.44	1,136,502.33	574,515.74	296,784.31	743,452.26	378,916.75

Classification	Fiscal year 1945				Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945	
I. Trust accounts, etc.:						
Federal old-age and survivors insurance trust fund:						
Benefit payments.....	\$19,431,333.37	\$22,750,852.90	\$21,819,983.07	\$22,848,339.22	\$22,353,671.46	\$184,597,363.80
Investments.....		200,000,000.00			392,446,800.00	1,172,033,580.00
Office of Distribution:	65.60	119.90	1,598.00	1,080.75	100.75	852,338.00
Redemption of commodity stamps.....						
Railroad retirement account:						
Benefit payments.....	11,133,268.28	12,641,219.49	12,174,411.03	12,251,670.36	11,649,935.74	134,415,832.07
Investments.....	12,000,000.00	11,500,000.00	23,000,000.00	12,000,000.00	1,000,000.00	140,500,000.00
Unemployment trust fund:						
Investments.....	220,000,000.00	38,000,000.00	25,000,000.00	283,000,000.00	88,173,400.00	1,503,000,000.00
Railroad unemployment insurance account.....	91,729.98	116,085.61	85,124.60	64,908.41	96,338.01	591,283.79
State accounts:						
Withdrawals by States.....	6,757,500.00	7,970,000.00	6,073,500.00	7,279,500.00	8,204,500.03	59,999,500.00
Transfers to railroad unemployment insurance account (act June 25, 1938).....			63,304.55		31,652.00	
Other trust accounts:						
Adjusted service certificate fund:						
Investments.....	1,202,287.47	1,285,853.69	1,500,000.00	513,732.69	4,000,000.00	1,378,000.00
Other.....			700,578.39		4,477,678.93	1,602,684.57
Alaska Railroad retirement fund:						
Annuities and refunds.....	17,932.15	14,520.29	11,666.30	11,795.30	10,790.92	186,223.51
Investments.....			10,000.00		31,000.00	156,000.00
Canal Zone retirement fund:						
Annuities and refunds.....	119,487.95	143,949.65	135,383.28	123,891.22	130,080.11	1,470,590.25
Investments.....		30,000.00	100,000.00	50,000.00	396,000.00	1,227,000.00
Civil service retirement fund:						
Annuities and refunds.....	13,690,213.05	15,384,147.18	12,775,343.12	13,955,840.23	13,356,893.64	100,476,706.54
Investments.....	11,001,000.00	10,535,000.00	8,613,000.00	11,673,000.00	78,567,000.00	390,592,000.00
District of Columbia:						
Foreign service retirement fund:	5,661,838.24	6,397,217.53	4,935,358.40	4,895,706.32	4,214,253.37	66,162,988.33
Annuities and refunds.....	44,704.55	49,683.55	42,083.44	47,717.03	45,698.38	512,641.60
Investments.....	25,000.00	40,000.00	35,000.00	34,000.00	288,000.00	897,000.00
Government life insurance fund:						
Benefits, refunds, etc.....	1,375,485.25	3,067,182.47	2,441,447.05	3,470,300.67	3,176,552.04	24,509,933.86
Investments.....	3,100,000.00	5,000,000.00	2,800,000.00	1,900,000.00	30,000,000.00	60,012,266.12
Indian tribal funds.....	222,465.44	682,557.65	631,688.24	658,793.04	961,493.09	6,833,999.59

• Excess of redemptions (deduct).





Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
<b>I. Trust accounts, etc.—Continued.</b>							
Other trust accounts—Continued.							
National service life insurance fund:							
Benefits, refunds, etc.	\$9,686,885.54	\$16,082,221.96	\$14,912,974.54	\$19,559,282.08	\$17,779,056.28	\$128,161,422.05	\$31,365,551.92
Investments	107,500,000.00	112,500,000.00	218,500,000.00	283,000,000.00	557,700,000.00	1,973,700,000.00	861,700,000.00
Other	<sup>a</sup> 51,145,041.29	32,876,102.81	85,920,464.58	6,018,406.81	10,345,707.45	342,815,342.12	156,992,515.06
Unclassified	(60,073.40)	12,565.35	45,663.43	<sup>a</sup> 59,736.47	10,659.39	<sup>a</sup> 89.91	69,723.77
Other funds and accounts:							
Chargeable against increment on gold—							
Melting losses, etc.						3,821.34	
Public Works Administration revolving fund (act of June 21, 1938)							501,602.78
Special deposits (net):							
District of Columbia	38,631.90	<sup>a</sup> 6,873.58	<sup>a</sup> 6,056.85	9,864.01	2,285.91	391,303.52	<sup>a</sup> 101,469.93
Indian tribal funds	353,397.49	<sup>a</sup> 436,806.41	<sup>a</sup> 876,980.19	1,438,699.23	141,638.36	<sup>a</sup> 75,755.07	<sup>a</sup> 233,312.88
Other	<sup>a</sup> 76,287,136.80	7,375,288.36	15,583,140.62	<sup>a</sup> 71,249,098.46	<sup>a</sup> 51,424,084.33	<sup>a</sup> 1,302,294,747.15	<sup>a</sup> 208,309,988.81
Unclassified						<sup>a</sup> 37,334.90	
Subtotal	269,031,121.57	481,470,888.40	453,738,675.60	589,329,692.44	1,190,226,501.53	5,081,810,129.80	4,700,377,863.19
<b>II. Transactions in checking accounts of Government agencies, etc. (net):</b>							
Sales and redemptions of obligations in market (net):							
Guaranteed by the United States:							
Commodity Credit Corporation	<sup>10</sup> 412,770,870.58	<sup>a</sup> 81,106.70	1,099,681.31	<sup>a</sup> 465,699.62	926,077.51	434,045,722.88	61,687,891.48
Federal Farm Mortgage Corporation							
Federal Housing Administration	2,122,700.00	1,359,200.00	949,800.00	990,300.00	986,800.00	35,083,700.00	<sup>11</sup> 888,810,200.00
Federal Public Housing Authority	6,550.00	9,830.00	4,000.00			3,759,450.00	2,603,000.00
Home Owners' Loan Corporation					1,000.00	58,000.00	114,091,000.00
Reconstruction Finance Corporation	2,699,350.00	2,219,050.00	1,226,525.00	1,652,000.00	750,228,500.00	12,803,027,350.00	12,720,188,700.00
Unclassified						157,000.00	<sup>13</sup> 895,805,000.00

<sup>a</sup> Excess of credits (deduct).

<sup>10</sup> Includes \$394,889,000 of 1½ percent Commodity Credit Corporation notes of Series G-1945 exchanged for ¾ percent Treasury certificates of indebtedness of Series A-1946.

<sup>11</sup> Includes \$75,800,700 of 3¼ percent Federal Farm Mortgage Corporation bonds of 1944-44 and \$704,924,700 of 3 percent Federal Farm Mortgage Corporation bonds of 1944-49 exchanged for certain Treasury obligations.

<sup>12</sup> Includes during the fiscal year 1944 \$603,733,050 of 3 percent Home Owners' Loan Corporation bonds, Series A 1944-52, and during the fiscal year 1945 \$721,808,000 of 1½ percent Home Owners' Loan Corporation bonds, Series M 1945-47 exchanged for certain Treasury obligations.

<sup>13</sup> Includes \$559,124,000 of 1 percent Reconstruction Finance Corporation notes of Series W exchanged for certain Treasury obligations.

TABLE 4.—*Classification of monthly and total expenditures, fiscal year 1945, and comparative totals, fiscal year 1944—Continued*

## DETAIL OF EXPENDITURES—Continued

## PART B. TRUST ACCOUNTS, ETC.—Continued

Classification	Fiscal year 1945						January 1945
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	
II. Transactions in checking accounts of Government agencies, etc. (net)—Continued.							
Sales and redemptions of obligations in market (net)—Continued.							
Not guaranteed by the United States:							
Federal home loan banks.....	\$183,800,200.00	\$14,000,000.00	\$39,802,700.00	\$772,900.00	\$22,500,000.00	\$627,000.00	\$16,490,000.00
Federal land banks.....		2,580,800.00			739,000.00		2,109,100.00
Federal National Mortgage Association.....		2,525.00	2,600.00	1,125.00	50.00	325.00	1,275.00
Home Owners' Loan Corporation.....	13,115,519.16	132,294,040.10	29,680,821.70	162,807,569.48	47,621,705.82	60,891,487.16	21,467,674.86
Other transactions (net):							
Commodity Credit Corporation.....	83,023.83	376,086.40	364,688.65	175,036.25	57,059.44	240,387.54	14,088.62
Export-Import Bank of Washington.....	2,658,800.41	1,950,044.10	5,175,651.49	2,152,934.00	4,608,931.57	12,808,633.21	964,900.25
Federal Housing Administration.....	4,567,843.83	1,236,501.24	3,452,745.91	192,694.91	22,719.55	2,798,543.07	1,245,872.59
Federal Public Housing Authority.....	32,654,302.82	35,534,515.04	29,769,967.95	26,776,823.78	25,158,644.42	18,652,474.43	29,900,870.88
Home Owners' Loan Corporation: "a"							
Reconstruction Finance Corporation: "a"	47,440,902.28	158,250,239.68	57,028,961.40	32,731,083.43	155,434,259.43	225,943.22	67,773,999.40
War Activities.....	20,491,886.17	1,857,331.22	11,700,620.05	36,195,903.24	13,940,361.38	23,675,097.23	6,025,995.87
Other.....	367,277.77	4,211,217.39	851,324.16	1,308,299.79	1,301,884.17	217,639.62	1,026,599.28
Rural Electrification Administration.....	18,942,179.28	12,729,816.18	123,603,427.74	42,496,353.89	230,856,963.32	116,488,867.35	109,313,737.95
Other.....							
Subtotal.....	192,514,106.27	254,081,824.40	35,215,927.74	94,547,388.31	71,275,507.74	163,915,650.15	20,631,328.55
Total expenditures.....	587,584,059.66	731,828,366.20	447,297,251.01	204,219,492.45	104,849,082.35	417,601,046.46	182,570,157.23

Classification	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
II. Transactions in checking accounts of Government agencies, etc. (net)—Continued.							
Sales and redemptions of obligations in market (net)—Continued.							
Not guaranteed by the United States:							
Federal home loan banks.....	\$10,000.00					\$8,000,000.00	\$22,963,000.00
Federal land banks.....	112,826,000.00	\$524,500.00	\$277,900.00	\$144,848,500.00	\$5,327,100.00	268,583,700.00	157,930,000.00
Federal National Mortgage Association.....			800.00			18,625.00	55,352,000.00
Home Owners' Loan Corporation.....	950.00	2,950.00		3,125.00			16,625.00
Other transactions (net):							
Commodity Credit Corporation.....	16,335,279.64	6,736,658.40	69,056,791.84	104,385,331.52	15,204,907.81	10,470,827,124.45	10,224,716,819.14
Export-Import Bank of Washington.....	229,401.57	46,666.91	150,474.09	300,891.33	218,323.24	164,811.36	109,584.39
Federal Housing Administration.....	1,556,750.66	1,936,382.32	1,585,739.85	2,159,850.46	6,519,066.23	6,362,285.67	2,378,863.04
Federal Public Housing Authority.....	380,904.40	2,088,075.28	241,219.87	569,368.05	12,559,182.57	11,667,460.25	15,116,864.86
Home Owners' Loan Corporation.....	29,185,582.74	29,095,631.61	20,820,998.01	27,519,797.59	18,382,983.51	323,452,592.78	396,486,281.01
Reconstruction Finance Corporation: <sup>14</sup>							
War Activities.....	4,372,578.43	128,066,742.63	67,703,730.06	32,188,122.93	112,809,449.21	472,033,180.28	2,681,633,923.52
Other.....	44,298,201.61	6,253,694.58	33,303,481.08	73,160,037.96	16,705,887.57	288,208,497.96	246,669,024.24
Rural Electrification Administration.....	916,403.44	1,115,628.98	882,883.09	713,680.74	956,047.74	2,553,194.95	1,062,135.40
Other.....	62,931,417.61	236,060,962.05	123,175,385.03	127,521,863.68	90,207,581.93	709,136,796.03	745,493,128.20
Subtotal.....	312,618,260.64	407,391,640.32	71,102,957.13	153,946,532.78	778,063,884.34	1,178,383,134.11	4,403,068,674.50
Total expenditures.....	581,649,382.21	74,079,248.08	524,841,632.73	435,383,159.66	171,963,290,385.87	17,620,193,263.91	9,103,446,537.69

<sup>a</sup> Excess of credits (deduct).

<sup>14</sup> Includes transactions on account of RFC Mortgage Company, Disaster Loan Corporation, Federal National Mortgage Association, Metals Reserve Company, Rubber Reserve Company, Defense Plant Corporation, Defense Supplies Corporation, U. S. Commercial Company, War Damage Corporation, and Rubber Development Corporation.

<sup>15</sup> Includes credits of \$36,000,000 representing loans from the Commodity Credit Corporation deposited and credited to the appropriation "Conservation and use of agricultural land resources, Department of Agriculture, 1945" as authorized by sec. 391 (c) of the Agricultural Adjustment Act of 1938 as amended.

<sup>16</sup> Payments of \$1,026,619,447.63 have been made during the fiscal year 1945 by the Federal Surplus Commodities Corporation of the Agriculture Department (charged).

War activities) to the Commodity Credit Corporation in reimbursement for agricultural commodities procured in connection with the lend-lease program and reflected in previous expenditures of the Commodity Credit Corporation. Similar payments during the fiscal year 1944 amounted to \$1,817,885,387.84.

<sup>17</sup> The total of receipts and expenditures for "Trust Accounts, etc." in this table do not agree with the corresponding totals shown on the daily Treasury statement for June 30, 1945, since adjustment has been made in these figures for repayments amounting to \$128,792,000 which were classified in the daily Treasury statement for June 30, 1945, under the captions, "Trust Accounts, etc.—Receivables—Other Trust Accounts," instead of under the captions, "Expenditures—Other Trust Accounts."

TABLE 5—Expenditures from general and special accounts, by major functions, fiscal years 1932 through 1945<sup>1</sup>  
[In millions of dollars. On basis of daily Treasury statements, see p. 437]

	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
<b>War activities:<sup>2</sup></b>														
(a) War Department.....	344	302	243	273	383	378	432	490	667	3,678	14,070	42,265	49,242	50,337
(b) Navy Department.....	358	350	297	436	529	557	596	673	891	2,313	8,580	20,888	26,538	30,047
(c) U. S. Maritime Commission.....	52	29	a 10	a 21	a 12	a 6	1	44	99	51	929	2,776	3,812	3,227
(d) War Shipping Administration.....										259	2,300	1,105	1,922	2,042
(e) Other.....												5,075	5,525	4,377
Total war activities.....	753	680	531	689	900	929	1,029	1,206	1,657	6,301	26,011	72,109	87,039	90,029
<b>Veterans' pensions and benefits:</b>														
(a) Adjusted service certificate fund.....	200	100	50	50	1,773	557				10		30	101	1,117
(b) National service life insurance fund.....	785	703	507	557	578	581	582	557	557	553	555	572	629	934
(c) Other.....										563	556	602	730	2,000
Total veterans' pensions and benefits.....	985	803	557	607	2,351	1,137	582	557	557					
<b>Social security and railroad retirement programs:</b>														
(a) Administrative expenses, grants to States, and transfers to trust accounts.....					29	184	440	452	510	586	656	732	798	807
(b) Refunds of taxes.....							41	2	2	3	3	3	4	8
Total social security and railroad retirement programs.....					29	184	482	454	513	588	659	735	803	815
<b>Public works<sup>3</sup></b>	450	442	698	883	730	1,024	804	1,000	949	738	680	543	433	323
Aid to agriculture <sup>4</sup> .....	437	176	775	1,071	933	971	854	1,228	1,539	937	1,225	1,163	909	762
<b>Relief and work relief:</b>														
(a) Direct relief <sup>5</sup> .....	336	336	708	1,820	494	a 1	4	2	1					
(b) Work relief <sup>6</sup> .....	14	14	1,137	1,751	1,751	2,283	1,709	2,530	1,855	71,632	71,133	7,317	17	(*)
Total relief and work relief.....	350	350	1,845	2,267	2,245	2,282	1,803	2,532	1,856	1,632	1,133	317	17	(*)
<b>Interest on public debt</b>	599	689	757	821	749	866	926	941	1,041	1,111	1,260	1,808	2,609	3,617
<b>Refunds of taxes and duties:</b>														
(a) Excess profits tax (bonds).....	101	70	64	76	54	56	59	66	68	67	61	76	134	894
(b) Other <sup>7</sup> .....	1,299	593	785	595	675	728	101	723	778	782	782	825	1,691	814
Other <sup>8</sup> .....														1,691
Total expenditures, excluding debt retirements.....	4,535	3,864	6,011	7,010	8,666	8,177	7,239	8,707	8,998	12,711	32,397	78,179	93,744	100,405

NOTE.—Figures are rounded and will not necessarily add to totals.

r Revised.

a Excess of credits (deduct).

\* Less than \$500,000.

1 Excludes debt retirements.

2 For details see table 4, p. 466.

3 Comprises expenditures of Public Roads Administration, forest, roads and trails,

river and harbor work (including flood control), Public Works Administration, and

certain expenditures of the Federal Public Housing Authority.

4 Comprises expenditures of Farm Credit Administration, Farm Tenant Act, Rural

Electrification Administration, War Food Administration, departmental expenditures

of the Department of Agriculture, and certain payments to the Federal Farm Mortgage

classified.

5 Comprises expenditures of the Federal Emergency Relief Administration, and Reconstruction Finance Corporation, loans and grants to States, municipalities, etc., for direct relief pursuant to act of July 21, 1932, as amended.

6 Comprises expenditures of the Civil Works Administration, Work Projects Administration, National Youth Administration (see note 7), and Civilian Conservation Corps.

7 Excludes certain expenditures of the National Youth Administration for the fiscal years 1941 and 1942 shown under "War activities." All expenditures of the National Youth Administration for the fiscal year 1943 are shown under "War activities."

8 Refunds of social security taxes and taxes on carriers have been stated as an expenditure in the social security program shown above, rather than as "Refunds of taxes—Other," in this table.

9 Includes departmental expenditures and transfers to trust accounts not otherwise classified.



## Other receipts and expenditures tables

TABLE 6.—Receipts by major sources, fiscal years 1944 and 1945<sup>1</sup>

[Dollars in millions]

Source	1944	1945	Increase, or decrease (—) 1945 over 1944		Percent of total increase in receipts from general and special accounts, 1945 over 1944
			Amount	Percent	
1. Internal revenue:					
(1) Income and excess profits taxes:					
Corporation:					
Current taxes:					
Income.....	\$4,762.7	\$4,421.7	—\$341.0	—7.2	—14.6
Excess profits.....	8,479.4	10,111.9	1,632.5	19.3	70.0
Declared value excess profits.....	109.9	117.9	8.0	7.3	.3
Total current corporation.....	13,352.0	14,651.5	1,299.5	9.7	55.7
Back taxes:					
Income.....	521.4	458.0	—63.4	—12.2	—2.7
Excess profits.....	865.8	891.6	25.8	3.0	1.1
Declared value excess profits.....	27.1	25.9	—1.2	—4.4	—1.1
Unjust enrichment.....	.4	.2	—2	—50.0	(2)
Total back corporation.....	1,414.8	1,375.7	—39.1	—2.8	—1.7
Total corporation.....	14,766.8	16,027.2	1,260.4	8.5	54.1
Individual:					
Current taxes:					
Income tax withheld:					
Collections by Bureau of Internal Revenue.....	7,823.4	10,264.2	2,440.8	31.2	104.7
Adjustment to daily Treasury statement basis <sup>2</sup> .....	+1,354.3	+25.0	—1,329.3	-----	—57.0
Total income tax withheld.....	9,177.8	10,289.2	1,111.4	12.1	47.7
Income tax not withheld.....	10,253.8	8,258.5	—1,995.3	—19.5	—85.6
Total current individual.....	19,431.6	18,547.8	—883.8	—4.5	—37.9
Back taxes.....	183.7	511.6	327.9	178.5	14.1
Total individual.....	19,615.4	19,059.3	—556.1	—2.8	—23.9
Total corporation and individual.....	34,382.2	35,086.6	704.4	2.0	30.2
Adjustment to daily Treasury statement basis (except for individual taxes withheld, adjusted above) <sup>3</sup> .....	272.7	86.5	—186.2	-----	—8.0
Total income and excess profits taxes.....	34,654.9	35,173.1	518.2	1.5	22.2
(2) Miscellaneous internal revenue:					
Capital stock tax.....	380.7	372.0	—8.7	—2.3	—4
Estate tax.....	473.5	596.1	122.6	25.9	5.3
Gift tax.....	37.7	46.9	9.2	24.4	.4
Liquor taxes <sup>4</sup> .....	1,618.0	2,309.8	691.8	42.8	29.7
Tobacco and products taxes.....	988.4	932.1	—56.3	—5.7	—2.4
Stamp taxes.....	50.8	65.5	14.7	28.9	.6
Manufacturers' excise taxes:					
Gasoline.....	271.2	405.6	134.4	49.6	5.8
Lubricating oils.....	52.5	92.9	40.4	77.0	1.7
Automobiles, trucks, tires, tubes and parts or accessories.....	76.3	148.1	71.8	94.1	3.1
Electrical energy.....	51.2	57.0	5.8	11.3	.2
All other.....	51.4	78.6	27.2	52.9	1.2
Total manufacturers' excise taxes.....	502.7	782.1	279.4	55.6	12.0
Retailers' excise taxes.....	225.2	424.1	198.9	88.3	8.5
Miscellaneous taxes:					
Telephone, telegraph, radio and cable facilities, etc.....	141.3	208.0	66.7	47.2	2.9
Local telephone service.....	90.2	133.6	43.4	48.1	1.9
Transportation of persons.....	153.7	234.2	80.5	52.4	3.5

Footnotes at end of table.

TABLE 6.—Receipts by major sources fiscal years, 1944 and 1945 <sup>1</sup>—Continued

Source	1944	1945	Increase, or decrease (—) 1945 over 1944		Percent of total increase in receipts from general and special accounts, 1945 over 1944
			Amount	Percent	
1. Internal revenue—Continued.					
(2) Miscellaneous internal revenue—Con.					
Miscellaneous taxes—Continued.					
Transportation of property.....	\$215.5	\$221.1	\$5.6	2.6	0.2
Admissions.....	205.3	357.5	152.2	74.1	6.5
Use of motor vehicles and boats.....	134.7	129.0	—5.7	—4.2	—
Sugar tax.....	68.8	73.3	4.5	6.5	.2
All other, including repealed taxes <sup>2</sup> .....	66.8	74.2	7.4	11.1	.3
Total miscellaneous taxes.....	1,076.2	1,430.9	354.7	33.0	15.2
Total miscellaneous internal revenue (collection basis).....	5,353.3	6,959.6	1,606.3	30.0	68.9
Adjustment to daily Treasury statement basis <sup>4</sup> .....	—62.3	—10.2	+52.1	-----	2.2
Total miscellaneous internal revenue (daily Treasury statement basis).....	5,291.0	6,949.4	1,658.4	31.3	71.1
(3) Employment taxes:					
Taxes on employment by other than carriers:					
Federal Insurance Contributions Act.....	1,292.1	1,309.9	17.8	1.4	.8
Federal Unemployment Tax Act.....	179.9	184.5	4.6	2.6	.2
Total.....	1,472.0	1,494.5	22.5	1.5	1.0
Taxes on carriers and their employees (Chap. 9, Subchap. B of the Internal Revenue Code).....	267.1	285.0	17.9	6.7	.8
Total employment taxes.....	1,739.1	1,779.5	40.4	2.3	1.7
Total internal revenue.....	41,685.0	43,902.0	2,217.0	5.3	95.1
2. Railroad unemployment insurance contributions.....	12.1	13.2	1.1	9.1	(?)
3. Customs.....	431.3	354.8	—76.5	—17.7	—3.3
4. Miscellaneous receipts.....	3,280.1	3,469.5	189.4	5.8	8.1
Total receipts, general and special accounts.....	45,408.4	47,739.5	2,331.1	5.1	100.0
Deduct: Net appropriation for Federal old-age and survivors insurance trust fund representing an amount equal to taxes collected and deposited under the Federal Insurance Contributions Act, less reimbursements to General Fund for administrative expenses.....	1,259.5	1,283.0	23.5	1.9	-----
Net receipts, general and special accounts.....	44,148.9	46,456.6	2,307.7	5.2	-----

NOTE.—Dollar figures are rounded to nearest tenth of a million and percentage figures to nearest tenth of a percent and will not necessarily add to totals.

<sup>1</sup> The detail of income taxes and miscellaneous internal revenue taxes is on the basis of internal revenue collections with totals adjusted to the basis of the daily Treasury statement. Employment taxes, railroad unemployment insurance contributions, customs, and miscellaneous receipts are shown on the daily Treasury statement basis. General and special accounts are combined.

<sup>2</sup> Less than .05 percent.

<sup>3</sup> Amounts withheld are reported on a collection basis by the Bureau of Internal Revenue in the first and second months following the quarter in which the actual withholding took place. On the daily Treasury statement basis a large portion of the amounts withheld is reported in the first month following the month in which the actual withholding took place. The adjustment is the difference between the figure shown on a collection basis and the figure shown on the daily Treasury statement basis for the fiscal year.

<sup>4</sup> Because of the time required for payments reported as tax collections toward the end of each month to clear through the banks and to be reported in daily Treasury statements, an adjustment from the collection basis to the daily Treasury statement basis is necessary. A positive adjustment indicates that during the fiscal year more tax receipts on the daily Treasury statement basis have been received than are reported as collections, and a negative adjustment indicates the reverse situation. In the explanation of receipts by sources in the text, an estimated allocation of the total adjustment has been made between the individual income tax and corporation income and excess profits taxes.

<sup>5</sup> Credits to trust funds are not included.

<sup>6</sup> Includes collections from taxes on narcotics, taxes imposed under the National Firearms Act, and the tax on hydraulic mining, all of which are effective currently. In addition, includes collections from excise taxes repealed or suspended prior to and including the Revenue Act of 1943 (consisting primarily of rubber articles, electric signs, optical equipment, washing machines, vacuum cleaners, and the manufacturers' tax on luggage); collections from the tobacco, matches, tires and tubes floor stocks taxes imposed by the Revenue Acts of 1941 and 1942; and collections from the tax under the Bituminous Coal Act of 1937 which expired Aug. 24, 1943.

TABLE 7.—Comparison of detailed internal revenue collections, fiscal years 1944 and 1945

[On basis of reports of collections, see p. 438]

Source	1944	1945	Increase, or decrease (—)
Income, excess profits, and unjust enrichment taxes:			
Corporation income taxes.....	\$5,284,145,852.31	\$4,879,715,380.86	—\$404,430,471.45
Individual income taxes.....	10,437,570,433.53	8,770,094,034.15	—1,667,476,399.38
Income tax— withholding at source on salaries and wages.....	7,823,434,977.46	10,264,219,340.18	2,440,784,362.72
Total income taxes.....	23,545,151,263.30	23,914,028,755.19	368,877,491.89
Excess profits taxes—declared value.....	136,979,571.41	143,797,827.17	6,818,255.76
Excess profits taxes—Vinson Act.....	39,036.47	—	—39,036.47
Excess profits taxes—Revenue Acts of 1940, 1941, and 1942, as amended.....	9,345,198,293.03	11,003,519,622.76	1,658,321,329.73
Unjust enrichment taxes (title III, Revenue Act of 1936).....	433,723.98	179,995.24	—253,728.74
Total income, excess profits, and unjust enrichment taxes.....	33,027,801,888.19	35,061,526,200.36	2,033,724,312.17
Capital stock tax.....	380,702,005.85	371,999,130.71	—8,702,875.14
Estate tax.....	473,465,605.12	596,137,494.42	122,671,889.30
Gift tax.....	37,744,731.75	46,917,582.55	9,172,850.80
Liquor taxes:			
Distilled spirits (imported) excise tax.....	286,871,176.22	199,690,666.79	—87,180,509.43
Distilled spirits (domestic) excise tax.....	611,835,145.13	1,284,612,783.67	672,777,638.54
Distilled spirits, rectification tax.....	18,874,168.27	32,549,437.48	13,675,269.21
Still or sparkling wines, cordials, etc. (imported), excise tax.....	4,027,490.19	2,121,524.89	—1,905,965.30
Still or sparkling wines, cordials, etc. (domestic), excise tax.....	30,067,851.04	45,269,271.78	15,201,420.74
Brandy used for fortifying sweet wines (repealed June 24, 1940).....	11,519.16	51,224.32	39,705.16
Rectifiers, retail and wholesale liquor dealers, manufacturers of stills (special taxes).....	8,109,220.46	8,308,462.40	199,241.94
Stamps for distilled spirits intended for export.....	2,101.60	6,364.80	4,263.20
Stamps for distilled spirits bottled in bond.....	1,369,157.83	885,676.47	—483,481.36
Container stamps (Liquor Taxing Act of 1934).....	8,515,931.44	11,213,301.59	2,697,370.15
Floor taxes (levies on tax-paid stocks, inventories of Jan. 12, 1934, July 1, 1938, July 1, 1940, Oct. 1, 1941, Nov. 1, 1942, and Apr. 1, 1944).....	85,834,272.82	83,343,159.15	—2,491,113.67
Fermented malt liquors.....	559,151,627.85	638,682,102.13	79,530,474.28
Brewers, retail and wholesale dealers in fermented malt liquors (special taxes).....	3,375,009.16	3,129,634.78	—245,374.38
Total liquor taxes.....	1,618,044,671.17	2,309,863,610.25	691,818,939.08
Stamp taxes (title VIII, Revenue Act of 1926, as amended):			
Bonds, issues of capital stock, deeds of conveyance, etc.....	26,243,240.34	33,157,134.53	6,913,894.19
Capital stock and similar interests, sales or transfers.....	17,096,097.89	24,852,469.21	7,756,371.32
Playing cards.....	7,413,576.66	7,492,873.63	79,296.97
Silver bullion sales or transfers.....	46,772.38	25,037.28	—21,735.10
Total stamp taxes.....	50,799,687.27	65,527,514.65	14,727,827.38
Tobacco taxes:			
Cigars (large):			
Class A.....	633,222.63	241,562.02	—391,660.61
Class B.....	1,084,121.27	1,088,402.79	4,281.52
Class C.....	9,658,669.01	4,936,220.84	—4,722,448.17
Class D.....	1,555,034.24	7,575,480.19	6,020,445.95
Class E.....	14,340,640.14	16,915,014.29	2,574,374.15
Class F.....	2,291,548.17	3,018,630.25	727,082.08
Class G.....	588,841.45	2,818,180.09	2,229,338.64
Total cigars (large).....	30,152,076.91	36,593,490.47	6,441,413.56
Cigars (small).....	107,283.84	84,179.72	—23,104.12
Cigarettes (large).....	88,462.35	695,271.15	606,808.80
Cigarettes (small).....	903,957,882.53	836,057,645.11	—67,900,237.42
Snuff.....	7,692,236.61	7,740,870.07	48,633.46
Tobacco, chewing and smoking.....	45,269,250.33	49,574,476.19	4,305,225.86
Cigarette papers and tubes.....	1,164,377.58	1,390,251.61	225,874.03
Leaf dealer penalties.....	1,706.51	904.59	—801.92
Cigarette and cigar floor taxes.....	49,960.23	7,733.41	—42,226.82
Total tobacco taxes.....	988,483,236.89	932,144,822.32	—56,338,414.57

TABLE 7.—Comparison of detailed internal revenue collections, fiscal years 1944 and 1945—Continued

Source	1944	1945	Increase, or decrease (—)
<b>Manufacturers' excise taxes:</b>			
Lubricating oils	\$52,473,093.61	\$92,865,058.19	\$40,391,964.58
Matches	8,726,093.12	9,352,890.69	626,797.57
Gasoline	271,216,501.79	405,563,011.25	134,346,509.46
Electrical energy	51,238,653.30	57,003,655.93	5,765,002.63
Tires and inner tubes	40,333,746.92	75,257,203.34	34,923,456.42
Rubber articles (repealed)	294,920.19	228,229.35	-66,690.84
Phonograph records	1,889,456.28	2,015,452.09	125,995.81
Musical instruments	633,040.46	927,223.69	294,183.23
Luggage	4,777,176.00	6,312.12	-4,770,863.88
Electric, gas, and oil appliances	5,026,905.40	12,000,107.06	7,033,201.66
Electric signs (repealed)	255,320.50	54,783.06	-200,537.44
Business and store machines	3,759,980.70	10,119,968.50	6,359,987.80
Washing machines (repealed)	31,908.17	4,245.57	-27,662.60
Optical equipment (repealed)	8,071.55	73,286.63	65,215.08
Photographic apparatus (repealed)	11,906,882.71	19,287,853.99	7,380,971.28
Electric light bulbs and tubes	5,367,788.18	11,035,319.69	5,667,531.51
Automobile trucks	3,246,727.35	20,847,485.33	17,600,757.98
Other automobiles and motorcycles	1,221,736.93	2,558,201.98	1,336,465.05
Parts and accessories for automobiles	31,551,319.19	49,439,742.82	17,888,423.63
Radio sets, phonographs, components, etc.	3,402,467.98	4,753,418.34	1,350,950.36
Refrigerators, air-conditioners, etc.	2,406,231.93	1,637,263.71	-768,968.22
Sporting goods	2,498,209.92	4,247,751.87	1,749,541.95
Firearms, shells and cartridges	1,061,044.95	3,132,402.04	2,071,357.09
Pistols and revolvers	37,218.92	4,944.77	-32,274.15
Toilet preparations (perfumes, cos- metics, etc.) (repealed Oct. 1, 1941)	37,159.45	19,819.73	-17,339.72
Toilet preparations (dentifrices, toilet soaps, etc.) (repealed July 1, 1938)	42,572.24	229.19	-42,343.05
Repealed manufacturers' excise taxes	17,942.62	14,778.77	-3,163.85
<b>Total manufacturers' excise taxes</b>	<b>503,462,170.36</b>	<b>782,510,639.70</b>	<b>279,048,469.34</b>
<b>Miscellaneous taxes:</b>			
Bituminous Coal Act of 1937	1,402,697.10	35,408.94	-1,367,288.16
Sugar Act of 1937	68,788,910.31	73,293,966.35	4,505,056.04
Telegraph, telephone, cable, and radio facilities	141,275,266.52	208,018,146.35	66,742,879.83
Local telephone service	90,198,986.83	133,569,036.46	43,370,049.63
Use of motor vehicles	134,325,537.83	128,700,713.02	-5,624,824.81
Use of boats	351,662.94	336,446.86	-15,216.08
Bowling alleys, pool tables, etc.	2,208,422.24	4,159,820.16	1,951,397.92
Coin-operated devices	18,475,491.99	19,100,811.80	624,819.81
Transportation of persons	153,682,607.58	234,181,651.34	80,499,043.76
Transportation of property (effective Dec. 1, 1942)	215,487,851.87	221,087,660.18	5,599,808.31
Transportation of oil by pipe line	15,850,856.83	16,286,295.17	435,438.34
Leases of safe deposit boxes	6,593,674.78	7,311,450.27	717,775.49
Admissions to theaters, concerts, cabar- ets, etc.	205,289,025.61	357,466,115.28	152,177,089.67
Club dues and initiation fees	9,181,516.71	14,159,650.19	4,978,133.48
Adulterated butter, including special taxes	10,410.94	27,239.79	16,828.85
Renovated butter, including special taxes	7,478.50	8,456.19	977.69
Filled cheese	39.20	22,338.47	22,299.27
Mixed flour (repealed)			
Oleomargarine:			
Colored	1,080,562.64	2,219,010.13	1,138,447.49
Uncolored	1,190,481.13	1,355,745.37	165,264.24
Special taxes	1,812,619.36	1,928,718.74	116,099.38
Marihuana Tax Act of 1937	23,921.82	23,581.79	-340.03
Narcotics (opium, coca leaves, and spe- cial taxes)	755,493.49	732,436.90	-23,056.59
Coconut, etc., oils processed	7,190,234.32	6,207,822.74	-982,411.58
Crude petroleum processed (repealed July 1, 1938)			
National Firearms Act	16,133.87	15,960.69	-173.18
Receipts from miscellaneous sources, etc.	201,258.43	180,341.08	-20,917.35
<b>Total miscellaneous taxes</b>	<b>1,075,401,142.84</b>	<b>1,430,428,324.26</b>	<b>355,027,181.42</b>
<b>Retailers' excise taxes:</b>			
Jewelry	113,372,750.85	184,219,868.93	70,847,118.08
Furs	58,725,694.05	79,418,428.87	20,692,734.82
Toilet preparations	44,790,353.37	86,615,198.00	41,824,844.63
Luggage	8,343,466.19	73,851,428.73	65,507,962.54
<b>Total retailers' excise taxes</b>	<b>225,232,264.46</b>	<b>424,104,924.53</b>	<b>198,872,660.07</b>



TABLE 7.—*Comparison of detailed internal revenue collections, fiscal years 1944 and 1945—Continued*

Source	1944	1945	Increase or decrease (—)
Employment taxes:			
Federal Insurance Contributions Act.....	\$1, 290, 024, 857. 45	\$1, 307, 931, 218. 36	\$17, 906, 360. 91
Federal Unemployment Tax Act (em- ployment of 8 or more).....	183, 336, 565. 38	186, 488, 616. 60	3, 152, 051. 22
Carriers taxes (old-age benefits).....	265, 011, 013. 06	284, 757, 577. 52	19, 746, 564. 46
Total employment taxes.....	1, 738, 372, 435. 89	1, 779, 177, 412. 48	40, 804, 976. 59
Grand total, all collections.....	40, 119, 509, 839. 79	43, 800, 337, 656. 23	3, 680, 827, 816. 44
Adjustment for items in transit.....	<sup>1</sup> 1, 565, 477, 490. 48	<sup>1</sup> 101, 664, 272. 41	-1, 463, 813, 218. 07
Receipts per daily Treasury statement..	41, 684, 987, 330. 27	43, 902, 001, 928. 64	2, 217, 014, 598. 37

## COLLECTIONS FOR CREDIT TO TRUST ACCOUNTS (EXCLUDED IN THE TABLE ABOVE)

	1944	1945	Increase or decrease (—)
Distilled spirits (domestic).....	\$730, 463. 80	\$2, 163. 30	—\$728, 300. 50
Distilled spirits rectification tax.....	96	2. 92	1. 96
Wines (domestic).....	20. 00	13. 60	—6. 40
Coconut oil.....	1, 519, 908. 22	47, 739. 85	—1, 472, 168. 37
Total trust fund collections.....	2, 250, 392. 98	49, 919. 67	—2, 200, 473. 31

<sup>1</sup> This adjustment is due principally to withheld taxes deposited in the Treasury but not yet included in reports of collections of the Bureau of Internal Revenue.

TABLE 8.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1945<sup>1</sup>*

[On basis of reports of collections, see p. 438]

Year	Income, excess profits, <sup>2</sup> and unjust enrichment taxes			
	Corporation income taxes			Total <sup>3</sup>
	Normal and surtaxes <sup>3</sup>	Excess profits tax	Unjust enrich- ment tax	
1916.....	\$56, 993, 658			\$56, 993, 658
1917.....	<sup>4</sup> 207, 236, 828	\$37, 176		207, 274, 004
1918.....				
1919.....				
1920.....				
1921.....				
1922.....				
1923.....				
1924.....				
1925.....	916, 232, 697			916, 232, 697
1926.....	1, 094, 979, 734			1, 094, 979, 734
1927.....	1, 308, 012, 533			1, 308, 012, 533
1928.....	1, 291, 845, 989			1, 291, 845, 989
1929.....	1, 235, 733, 256			1, 235, 733, 256
1930.....	1, 263, 414, 466			1, 263, 414, 466
1931.....	1, 026, 392, 699			1, 026, 392, 699
1932.....	629, 566, 115			629, 566, 115
1933.....	394, 217, 784			394, 217, 784
1934.....	397, 515, 852	2, 630, 615		400, 146, 467
1935.....	572, 115, 002	6, 560, 483		578, 675, 485
1936.....	738, 520, 530	14, 509, 290		753, 029, 820
1937.....	1, 056, 909, 063	25, 104, 608	\$6, 073, 351	1, 088, 087, 022
1938.....	1, 299, 932, 072	36, 569, 042	6, 216, 736	1, 342, 717, 850
1939.....	1, 122, 540, 801	27, 056, 373	6, 683, 335	1, 156, 280, 509
1940.....	1, 120, 581, 551	18, 474, 202	8, 536, 178	1, 147, 591, 931
1941.....	1, 851, 987, 990	192, 385, 252	9, 095, 562	2, 053, 468, 804
1942.....	3, 069, 273, 346	1, 670, 408, 040	4, 401, 768	4, 744, 083, 154
1943.....	4, 520, 851, 710	5, 146, 296, 099	1, 808, 294	9, 668, 956, 103
1944.....	5, 284, 145, 852	9, 482, 216, 901	433, 724	14, 766, 796, 477
1945.....	4, 879, 715, 381	11, 147, 317, 450	179, 995	16, 027, 212, 826

Footnotes at end of table.

TABLE 8.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1945*—Continued

Year	Income, excess profits, <sup>2</sup> and unjust enrichment taxes—Continued			
	Individual income taxes			Total income, excess profits, and unjust enrichment taxes <sup>3</sup>
	Withholdings on salaries and wages	Other	Total	
1916.....		\$67,943,595	\$67,943,595	\$124,937,253
1917.....		180,108,340	180,108,340	387,382,344
1918.....				2,852,324,866
1919.....				2,600,783,903
1920.....				3,956,936,004
1921.....				3,228,137,674
1922.....				2,086,918,465
1923.....				1,691,089,535
1924.....				1,841,759,317
1925.....		845,426,352	845,426,352	1,761,659,049
1926.....		879,124,407	879,124,407	1,974,104,141
1927.....		911,939,911	911,939,911	2,219,952,444
1928.....		882,727,114	882,727,114	2,174,573,103
1929.....		1,095,541,172	1,095,541,172	2,331,274,428
1930.....		1,146,844,764	1,146,844,764	2,410,259,230
1931.....		833,647,798	833,647,798	1,860,040,497
1932.....		427,190,582	427,190,582	1,056,756,697
1933.....		352,573,620	352,573,620	746,791,404
1934.....		419,509,488	419,509,488	819,655,955
1935.....		527,112,506	527,112,506	1,105,787,991
1936.....		674,416,074	674,416,074	1,427,445,894
1937.....		1,091,740,746	1,091,740,746	2,179,827,768
1938.....		1,286,311,882	1,286,311,882	2,629,029,732
1939.....		1,028,833,796	1,028,833,796	2,185,114,305
1940.....		982,017,376	982,017,376	2,129,609,307
1941.....		1,417,655,127	1,417,655,127	3,471,123,930
1942.....		3,262,800,390	3,262,800,390	8,006,883,544
1943.....	\$686,015,010	5,943,916,979	6,629,931,989	16,298,888,092
1944.....	7,823,434,977	10,437,570,434	18,261,005,411	33,027,801,888
1945.....	10,264,219,340	8,770,094,034	19,034,313,374	35,061,526,200

Year	Capital stock	Estate	Gift	Liquor taxes		
				Distilled spirits and wines, including special taxes	Fermented malt liquors, including special taxes	Total liquor taxes
1916.....				\$158,682,440	\$88,771,104	\$247,453,544
1917.....	\$10,471,689	\$6,076,575		192,111,319	91,897,194	284,008,513
1918.....	24,996,205	47,452,880		317,553,687	126,285,858	443,839,545
1919.....	28,775,750	82,029,983		365,211,252	117,839,602	483,050,854
1920.....	93,020,421	103,635,563		97,905,276	41,965,874	139,871,150
1921.....	81,525,653	154,043,260		82,598,065	25,364	82,623,429
1922.....	80,612,240	139,418,846		45,563,350	46,086	45,609,436
1923.....	81,567,739	126,705,207		30,354,007	4,079	30,358,086
1924.....	87,471,692	102,966,762		27,580,381	5,328	27,585,709
1925.....	90,002,595	101,421,767	\$7,518,129	25,902,820	1,954	25,904,774
1926.....	97,385,756	116,041,036	3,175,339	26,436,334	15,694	26,452,028
1927.....	8,970,231	100,339,852		21,194,669	883	21,195,552
1928.....	8,688,502	60,087,234		15,307,496	300	15,307,796
1929.....	5,956,296	61,897,141		12,776,628	100	12,776,728
1930.....	46,967	64,769,625		11,695,267		11,695,267
1931.....		43,078,327		10,432,064		10,432,064
1932.....		47,422,313		8,703,963		8,703,963
1933.....		29,693,062	4,616,662	8,016,045	35,158,272	43,174,317
1934.....	80,168,344	103,985,288	9,153,076	89,951,748	168,959,585	258,911,333
1935.....	91,508,121	140,440,682	71,671,277	195,363,693	215,561,848	410,925,541
1936.....	94,942,752	218,780,754	160,058,761	256,117,118	249,125,679	505,242,797
1937.....	137,499,246	281,635,983	23,911,783	312,247,468	281,583,886	593,831,354
1938.....	139,348,567	382,175,326	34,698,739	294,477,894	273,191,515	567,669,409
1939.....	127,203,009	332,279,613	28,435,597	324,271,723	263,333,223	587,604,946
1940.....	132,738,537	330,886,049	29,185,118	356,292,909	267,771,426	624,064,335
1941.....	166,652,640	355,194,033	51,863,714	499,177,429	320,691,547	819,868,976
1942.....	281,900,135	310,322,905	92,217,383	678,507,502	369,657,400	1,048,164,902
1943.....	328,794,971	414,530,599	32,965,079	964,607,875	458,872,516	1,423,480,391
1944.....	380,702,006	473,465,605	37,744,732	1,055,518,034	562,526,637	1,618,044,671
1945.....	371,999,132	596,137,494	46,917,583	1,668,051,873	641,811,737	2,309,863,610

ootnotes at end of table.

TABLE 8.—Internal revenue collections, by tax sources, fiscal years 1916 through 1945<sup>1</sup>—Continued

Year	Stamp taxes					
	Bonds, issues of capital stock, deeds of conveyance, etc. <sup>2</sup>	Capital stock and similar interests, sales or transfers	Sales of produce for future delivery	Playing cards	Silver bullion, sales or transfers	Total stamp taxes
1916	\$38,110,282	( <sup>3</sup> )	( <sup>3</sup> )	\$819,654	-----	\$38,929,936
1917	8,254,342	( <sup>3</sup> )	( <sup>3</sup> )	820,897	-----	9,075,239
1918	17,284,805	\$2,236,040	\$2,353,889	1,276,505	-----	23,151,239
1919	28,946,888	7,540,881	7,263,571	2,091,791	-----	45,843,131
1920	59,715,331	13,372,164	8,171,871	3,088,462	-----	84,347,828
1921	53,551,491	8,750,906	7,521,676	2,603,941	-----	72,468,014
1922	41,347,753	9,012,702	5,558,589	2,787,921	-----	58,706,965
1923	44,603,166	9,871,604	7,015,382	3,385,227	-----	64,875,379
1924	43,031,608	7,936,832	7,557,577	3,731,537	-----	62,257,554
1925	27,862,622	12,808,629	5,397,148	3,183,385	-----	49,251,784
1926	28,480,422	17,137,186	4,183,218	4,213,414	-----	54,014,240
1927	13,044,446	16,674,103	2,884,534	4,742,469	-----	37,345,552
1928	15,561,459	24,208,538	4,048,499	5,010,712	-----	48,829,208
1929	17,868,372	37,595,928	3,333,427	5,375,804	-----	64,173,531
1930	22,611,275	46,698,227	3,599,875	4,819,293	-----	77,728,670
1931	14,757,383	25,519,973	1,682,681	4,993,559	-----	46,953,596
1932	9,198,539	17,696,130	959,320	4,386,831	-----	32,240,820
1933	16,034,755	33,188,495	4,206,598	3,908,354	-----	57,338,202
1934	16,259,305	38,065,999	7,847,743	4,406,385	\$606	66,580,038
1935	17,934,777	15,747,363	3,950,544	4,351,290	1,149,390	43,133,373
1936	28,162,658	33,054,798	2,943,542	4,143,698	685,188	68,989,884
1937	28,651,710	31,350,597	5,096,814	4,186,502	633,712	69,919,335
1938	20,083,581	18,355,346	3,599,389	4,052,567	142,107	46,232,990
1939	19,366,430	17,064,488	248,982	4,141,167	261,772	41,082,839
1940	18,145,228	15,527,950	-----	4,814,328	193,737	38,681,243
1941	22,072,503	12,176,497	93	4,756,572	51,286	39,056,951
1942	22,875,490	13,028,317	-----	5,757,956	40,402	41,702,165
1943	21,765,732	15,584,591	-----	7,693,909	111,054	45,155,286
1944	26,243,240	17,096,098	-----	7,413,577	46,772	50,799,687
1945	33,157,135	24,852,469	-----	7,492,874	25,037	65,527,515

Year	Tobacco manufactures, including special taxes in effect to June 30, 1926	Manufacturers', etc., excise <sup>2</sup>	Soft drinks	Telegraph, telephone, cable, and radio facilities, etc.	Transportation, including oil by pipe line <sup>3</sup>	Insurance
1916	\$88,063,948	\$4,218,979	-----	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
1917	103,201,592	775,078	-----	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
1918	156,188,660	36,636,607	\$2,215,181	\$6,299,017	\$64,437,533	\$6,492,025
1919	206,003,092	79,400,266	7,182,219	17,902,389	219,937,183	14,508,881
1920	295,809,355	267,968,579	57,460,956	27,677,041	261,671,046	18,421,754
1921	255,219,385	229,397,837	58,675,973	28,442,413	273,070,001	18,992,094
1922	270,759,384	174,361,288	33,504,284	29,271,522	169,518,727	10,855,404
1923	309,015,493	185,117,058	10,131,897	30,380,784	-----	-----
1924	325,638,931	200,921,721	10,418,866	34,662,429	-----	-----
1925	345,247,211	140,877,326	-----	-----	-----	-----
1926	370,666,439	150,220,488	-----	-----	-----	-----
1927	376,170,205	66,850,109	-----	-----	-----	-----
1928	396,450,041	51,951,694	-----	-----	-----	-----
1929	434,444,543	5,723,791	-----	-----	-----	-----
1930	450,339,061	2,676,261	-----	-----	-----	-----
1931	444,276,503	149,744	-----	-----	-----	-----
1932	398,578,619	96,195	-----	-----	-----	-----
1933	402,739,059	243,600,368	4,186,447	14,564,756	7,467,298	-----
1934	425,168,897	385,291,214	4,746,733	19,250,800	10,379,370	-----
1935	458,775,934	342,144,686	129,991	19,741,434	9,479,722	-----
1936	500,785,385	382,716,142	60,029	21,098,348	9,793,995	-----
1937	551,922,580	449,853,630	38,553	24,569,627	11,244,096	-----
1938	567,777,410	416,753,516	35,052	23,977,064	12,517,630	-----
1939	579,784,074	396,891,003	5,362	24,093,719	10,954,733	-----
1940	608,072,770	447,087,632	2,062	26,367,945	11,510,647	-----
1941	697,712,322	617,373,372	771	27,331,114	12,480,586	-----
1942	780,792,270	771,902,259	3,937	75,022,772	34,853,718	-----
1943	923,857,284	504,746,434	2,670	158,161,290	183,359,969	-----
1944	988,483,237	503,461,802	368	231,474,253	385,021,316	-----
1945	932,144,822	782,510,640	-----	341,587,183	471,555,607	-----

Footnotes at end of table.

TABLE 8.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1945*<sup>1</sup>—Continued

Year	Leases of safe deposit boxes	Checks, drafts, or orders for the payment of money	Admissions	Club dues	Oleomarga- rine, includ- ing special taxes	Narcotics, including special taxes
1916					\$1,485,971	\$245,072
1917					1,995,720	277,165
1918			\$26,357,339	\$2,259,057	2,336,907	185,359
1919			50,919,608	4,072,549	2,791,831	726,137
1920			76,720,555	5,198,001	3,728,276	1,514,230
1921			89,730,833	6,159,818	2,986,465	1,170,316
1922			73,384,956	6,615,634	2,121,080	1,269,090
1923			70,175,147	7,170,731	2,254,531	1,013,736
1924			77,712,524	8,009,861	2,814,104	1,057,341
1925			30,907,809	8,690,588	3,038,928	1,090,933
1926			23,980,677	10,073,838	3,070,218	981,739
1927			17,940,637	10,436,021	3,164,219	797,825
1928			17,724,952	10,352,990	3,407,600	690,432
1929			6,083,056	11,245,255	3,611,153	605,336
1930			4,230,667	12,521,092	3,919,388	588,682
1931			2,778,864	11,477,723	2,681,428	607,340
1932			1,858,606	9,204,587	1,744,737	521,163
1933	\$2,365,041	\$38,456,493	15,520,512	6,679,261	1,347,191	457,068
1934	2,715,851	41,383,199	14,613,414	5,986,150	1,476,230	495,270
1935	2,317,619	25,645,139	15,379,397	5,784,495	2,048,977	580,613
1936	1,997,410	25,556	17,112,176	6,090,923	2,203,804	554,028
1937	2,039,714	8,221	19,740,192	6,287,768	2,348,415	573,493
1938	2,013,159	14,770	20,800,779	6,550,931	2,465,926	574,164
1939	1,980,525	4,288	19,470,802	6,216,900	2,210,386	572,088
1940	1,988,934	2,304	21,887,916	6,334,909	2,013,600	610,098
1941	2,215,898	1,733	70,963,094	6,582,649	2,121,713	690,288
1942	3,662,536	1,629	115,032,269	6,791,900	2,244,252	745,043
1943	6,070,096	1,714	154,450,723	6,519,891	2,620,644	788,094
1944	6,593,675	292	205,289,026	9,181,517	4,083,663	779,415
1945	7,311,450		357,466,115	14,159,650	5,503,474	756,019

Year	Coconut, etc., oils processed	Crude pe- troleum processed, etc.	National Firearms Act	Bituminous coal	Employment	
					Social security	Carriers and their employees
1935	\$7,314,619	\$1,759,790	\$8,015			
1936	11,730,752	1,163,755	5,342	\$729,218		\$48,279
1937	11,560,430	894,183	4,451		\$265,458,404	286,904
1938	13,266,652	991,248	10,747	3,211,601	593,184,560	149,475,666
1939	9,024,699	106,055	9,079	3,317,259	631,002,237	109,426,628
1940	5,697,834	555	12,389	4,161,664	711,473,332	122,047,644
1941	5,163,184	359	15,898	4,385,799	787,985,273	137,871,188
1942	7,160,701	473	19,502	5,478,909	1,014,952,829	170,409,015
1943	1,939,099	43	20,191	5,626,479	1,287,553,791	211,151,243
1944	7,190,234		16,134	1,402,697	1,473,361,423	265,011,013
1945	6,207,823		15,961	35,409	1,494,419,835	284,757,578

Year	Retailers' excise	Use of motor vehicles	Use of boats	Bowling alleys, pool tables, etc.	Coin-oper- ated devices
1942	\$80,167,124	\$72,625,488	\$228,387	\$1,698,394	\$6,485,000
1943	165,265,869	146,289,284	377,917	1,852,664	10,487,104
1944	225,232,264	134,325,538	351,663	2,208,422	18,475,492
1945	424,104,925	128,700,713	336,447	4,159,820	19,100,312

Footnotes at end of table.



TABLE 8.—*Internal revenue collections, by tax sources, fiscal years 1916 through 1945*<sup>1</sup>—Continued

Year	Receipts in connection with prohibition enforcement	Miscellaneous <sup>2</sup>	Special taxes not elsewhere included <sup>3</sup>	Agricultural adjustment	Sugar Act of 1937	Grand total <sup>4</sup>
1916		\$480,477	\$6,908,108			\$512,723,288
1917		892,681	5,237,044			809,393,640
1918		1,091,814	2,691,587			3,698,955,821
1919		1,501,005	4,721,298			3,850,150,079
1920	\$641,029	3,045,183	9,913,281			5,407,580,252
1921	2,152,387	1,975,970	8,585,540			4,595,357,062
1922	1,979,587	3,881,415	8,662,760			3,197,451,083
1923	729,244	3,125,078	8,035,583			2,621,745,228
1924	855,395	4,232,637	7,814,414			2,796,179,257
1925	560,888	12,156,929	5,811,558			2,584,140,268
1926	416,198	870,777	4,546,978			2,835,999,892
1927	502,877	2,009,639	7,967			2,865,683,130
1928	925,252	1,536,971	9,763			2,790,535,538
1929	727,006	536,111				2,939,054,375
1930	1,105,172	265,651				3,040,145,733
1931	586,160	166,518				2,428,228,754
1932	490,773	110,599				1,557,729,042
1933	529,789	72,435	239,859			1,619,839,224
1934	378,715	50,295,759	180,673	\$371,422,886		2,672,239,195
1935		989,792	1,737	526,222,358		3,281,791,303
1936		429,891	1,687	62,323,329		3,494,330,891
1937		851,822	189			4,634,308,141
1938		503,950	68		\$30,569,130	5,643,848,186
1939		159,632			65,414,058	5,162,363,836
1940		189,049			68,145,358	5,322,771,229
1941		43,515			74,834,722	7,351,533,723
1942		216,035			68,229,803	13,029,915,278
1943		215,380			53,551,777	22,368,724,066
1944		218,896			68,788,910	40,119,509,840
1945		238,376			73,293,966	43,800,337,656

NOTE.—Figures for 1935 and subsequent years exclude trust fund receipts. Figures are rounded to nearest dollar and will not necessarily add to totals.

<sup>1</sup> For figures for 1863 to 1915, see annual report for 1929, p. 419.

<sup>2</sup> Separate figures on corporation and individual income and excess profits tax collections not available for the years 1918 to 1924.

<sup>3</sup> Includes income tax on Alaska Railways except in fiscal years 1935, 1936, and 1937, during which time these receipts were considered trust fund receipts.

<sup>4</sup> Includes munitions manufacturers' tax, 1917, \$27,663,940; and 1918, \$13,296,927.

<sup>5</sup> Originally schedule A, act of Oct. 22, 1914; now covers issues and transfers of bonds, issues of capital stock, passage tickets, foreign insurance policies, and deeds of conveyance.

<sup>6</sup> Included under "Stamp taxes—Bonds, etc."

<sup>7</sup> Includes taxes on sales under act of Oct. 22, 1914, manufacturers', consumers', and dealers' excise taxes under the war revenue and subsequent acts, except soft drink taxes; all taxes paid by manufacturers of and dealers in adulterated and process or renovated butter, mixed flour, and filled cheese; and for 1932-45, manufacturers' excise taxes (act of 1932, as amended) except soft drinks.

<sup>8</sup> Includes tax on transportation of persons beginning in 1942, and tax on transportation of property beginning in 1943 (levied Dec. 1, 1942).

<sup>9</sup> Includes receipts, in addition to those classed as miscellaneous, as follows: (a) for 1916-33, delinquent taxes collected under repealed laws, except delinquent collections on automobiles for 1929 and 1930, included under "Manufacturers' excise taxes," and on "Capital stock," under which the collections for 1927-30 represent delinquencies; (b) for 1919, 1920, and 1921 receipts which remained unclassified at the time the statistical tables were compiled; (c) internal revenue collected through customs offices for 1921-33; subsequently such receipts are included with "Distilled spirits"; (d) penalties for 1916, \$458,773; 1917, \$871,606; and 1918, \$985,220; after 1918 all penalties are included under the respective taxes to which they relate; (e) for 1933 and subsequent years taxes on jewelry and candy formerly classified as manufacturers' excise taxes, and tax on dividends.

<sup>10</sup> Includes the occupational taxes imposed under the act of Oct. 22, 1914, on various classes of entertainment proprietors, brokers, and bankers, with subsequent repeals and amendments to include hackney automobiles and boats. Collections for 1933 and 1934 were entirely from pleasure boats.

TABLE 9.—Internal revenue collections, by States, fiscal year 1945<sup>1</sup>

[On basis of reports of collections, see p. 438]

State	Corporation income taxes			Individual income taxes <sup>2</sup>	Total income, excess profits, and unjust enrichment taxes <sup>3</sup>	Miscellaneous internal revenue taxes <sup>3,4</sup>	Employment taxes, including carriers taxes	Total collections <sup>5,6</sup>
	Normal and surtaxes	Excess profits taxes	Unjust enrichment taxes					
Alabama	\$22,352,999.88	\$49,671,878.96		\$147,046,021.30	\$219,070,860.14	\$18,559,530.70	\$16,280,189.96	\$253,910,580.80
Arizona	4,037,482.35	8,277,598.57		47,524,556.85	59,839,637.77	9,034,051.01	2,408,486.19	71,282,174.97
Arkansas	8,599,294.29	13,098,290.21		61,723,676.44	83,021,200.94	11,177,661.82	2,408,486.19	98,538,418.24
California	246,296,712.59	758,583,070.68		2,046,762,708.01	3,051,644,152.41	521,927,250.45	148,884,632.98	3,722,456,035.83
Colorado	98,804,634.30	31,039,466.48	\$1,661.13	117,245,656.62	177,089,757.40	40,264,838.03	5,912,690.42	226,947,255.85
Connecticut	108,585,110.14	265,968,621.97		388,384,253.42	762,937,985.53	77,054,684.82	35,712,618.92	875,705,288.92
Delaware	133,639,511.65	164,067,803.41	1,510.86	134,495,705.18	323,224,831.10	19,133,288.33	14,940,999.96	466,299,089.39
District of Columbia	3,276,022.51	107,024,807.80		231,017,545.70	363,318,436.10	35,607,410.14	16,292,499.12	415,128,315.36
Florida	23,921,709.47	52,231,690.73	25.00	231,713,968.08	309,870,353.88	61,723,632.91	13,108,900.11	384,764,376.90
Georgia	43,661,296.16	103,188,138.78	2,315.29	190,876,378.51	337,728,128.74	63,085,844.39	17,579,801.19	418,996,774.32
Idaho	5,608,470.11	5,032,814.29		40,989,408.80	51,630,693.20	5,087,910.42	2,486,831.05	59,803,443.07
Illinois	450,318,012.07	1,225,237,542.61		1,534,214,584.50	3,012,770,139.18	590,453,101.55	163,099,190.84	3,768,324,740.57
Indiana	76,396,971.23	225,608,215.32	389.78	330,444,204.16	652,449,780.49	262,002,889.76	28,080,190.35	943,138,800.60
Iowa	29,697,283.81	62,941,364.57	351.25	188,728,108.63	281,367,108.26	31,745,430.42	11,058,641.02	321,171,179.70
Kansas	56,743,107.21	151,845,385.10	621.16	164,541,493.66	373,130,607.13	3,735,133.80	18,999,724.94	423,925,765.87
Kentucky	31,775,577.59	105,255,134.87	67,213.54	135,090,721.55	272,158,647.55	411,297,646.73	13,794,728.36	698,954,373.64
Louisiana	31,558,291.84	57,383,612.12	193.00	177,023,707.46	265,965,776.42	70,789,044.91	15,496,279.36	350,546,549.28
Maine	16,734,511.06	40,888,206.45		75,317,429.39	132,940,146.93	9,364,804.91	7,782,680.73	150,087,932.57
Maryland	107,645,202.29	129,916,872.73	280.00	379,919,985.61	617,452,340.63	201,884,602.52	29,327,645.59	848,694,588.74
Massachusetts	174,963,056.34	417,392,842.34	592.88	658,719,088.07	1,251,075,579.63	179,886,089.43	59,994,250.55	1,490,937,919.61
Michigan	314,542,321.82	794,239,714.06	13,991.19	1,46,085,617.74	2,544,881,654.81	211,390,314.95	113,531,232.09	2,579,823,892.85
Minnesota	81,505,936.77	165,863,517.89		283,534,214.95	590,903,669.61	86,803,853.63	34,258,891.51	651,966,414.75
Mississippi	8,268,218.89	13,716,963.80	148.52	56,554,879.77	78,540,210.98	8,612,236.57	3,907,755.37	91,000,202.92
Missouri	146,429,682.18	350,814,445.80	56,814.64	420,719,669.90	918,620,612.61	177,177,344.92	50,884,273.88	1,146,082,231.41
Montana	5,470,283.30	38,036,133.10	5,062.85	40,997,206.60	52,342,545.16	7,508,973.93	1,801,617.92	61,653,136.69
Nebraska	2,787,043.22	38,036,133.10		127,773,147.83	180,393,389.00	40,396,377.03	18,124,837.61	245,214,598.26
Nevada	1,312,266.78	1,439,426.20		24,613,132.24	267,302,825.32	5,364,277.03	931,301.92	33,862,403.66
New Hampshire	6,359,912.84	14,438,825.56	6,233.82	663,610,807.21	1,152,624,880.32	11,220,370.71	56,884,359.61	1,491,153,495.50
New Jersey	157,678,299.76	331,229,539.53	55.00	28,033,292.86	32,483,130.54	3,949,361.75	1,248,270.34	37,683,762.63
New Mexico	1,826,125.33	2,628,667.35	6,195.07	38,354,816,356.92	6,923,720,176.40	1,004,084,772.15	333,715,729.81	8,261,920,679.36
New York	1,212,664,443.38	3,246,233,152.03	2,604.78	186,199,095.75	396,377,009.94	455,567,593.07	22,749,868.00	874,983,471.01
North Carolina	62,553,188.88	147,621,150.53		32,544,834.17	37,029,048.40	3,485,219.86	959,701.20	41,473,969.40
North Dakota	2,326,514.76	2,157,699.47	3,506.71	117,678,638.11	2,555,279,213.69	385,036,960.84	115,631,982.18	3,055,945,166.71
Oklahoma	403,059,908.51	38,633,784.67	2,17	146,410,212.25	221,486,800.28	71,598,804.21	10,992,694.22	307,278,298.71
Oregon	19,793,481.19	56,357,803.59	9.23	280,250,837.57	281,402,132.05	22,287,983.20	318,918,594.72	3,712,318,281.07
Pennsylvania	350,912,493.35	884,476,146.50	4,368.69	1,582,915,369.08	2,818,308,378.62	231,588,042.72	182,421,859.73	3,712,318,281.07
Rhode Island	23,607,427.23	71,297,122.10		117,842,907.53	212,747,456.86	23,575,248.66	10,018,172.82	246,342,167.00
South Carolina	16,823,295.97	68,704,920.49		78,254,505.84	163,781,834.77	10,555,248.66	7,240,951.97	181,578,035.40
South Dakota	2,716,055.77	7,350,262.96		27,221,085.23	32,287,401.49	4,534,912.00	1,150,206.68	37,981,520.17
Tennessee	30,106,937.82	77,676,864.10		177,389,234.18	285,173,636.03	33,152,430.71	16,924,840.46	333,249,947.08
Texas	134,065,508.31	183,887,223.07	2,505.04	596,601,008.68	915,156,335.10	100,165,019.08	47,207,284.36	1,152,528,638.64
Utah	9,631,392.99	11,084,663.74		88,490,232.92	69,235,509.65	11,731,170.32	3,668,351.10	84,635,031.07
Vermont	3,143,261.39	14,948,381.29		23,266,457.13	42,450,299.81	6,996,165.73	2,549,795.51	52,495,261.05

Virginia.....	60,118,622.44	152,897,893.55	220,912,240.79	433,928,756.78	365,828,043.82	23,334,095.38	823,090,895.98
Washington.....	39,254,201.41	140,623,826.48	1,404.09	365,904,017.23	54,506,812.81	25,433,121.30	625,723,377.32
West Virginia.....	23,705,900.23	44,198,753.98	217.67	92,930,066.17	19,857,137.05	10,623,647.90	191,824,617.70
Wisconsin.....	73,333,539.69	362,874,984.45	1,628.88	328,619,957.12	762,830,110.14	30,374,846.57	916,168,241.90
Wyoming.....	2,294,272.32	1,149,961.10		20,946,719.31	3,990,276.85	1,029,118.10	29,410,347.68
Alaska.....	689,347.79	1,351,568.27		15,882,364.92	17,923,280.98	4,992,913.59	19,802,708.80
Hawaii.....	13,888,995.98	28,655,166.45		107,246,658.91	149,790,821.34	3,199,283.96	173,969,227.22
Puerto Rico.....				20,614.00	2,265,614.97		2,286,228.97
Total on collection basis.....	4,879,715,380.86	11,147,317,449.93	179,995.24	19,034,313,374.33	6,959,634,043.39	1,779,177,412.48	43,800,337,656.23
Adjustment for items in transit.....					-10,184,762.49	+323,861.84	+101,664,272.41
Receipts per daily Treasury statement.....						1,779,501,274.32	43,902,001,928.64

NOTE.—For additional information see published report of the Commissioner of Internal Revenue for the year ended June 30, 1945.

<sup>1</sup> Federal tax receipts in the various States do not indicate the tax burden of the respective States, since the taxes may be eventually borne by persons in other States.

<sup>2</sup> Includes income taxes withheld on salaries and wages.

<sup>3</sup> Excludes certain trust fund receipts, see note 5.

<sup>4</sup> Includes (on warrant basis) \$199,690,666.79 from excise tax on imported distilled spirits and \$2,121,824.89 from excise tax on imported wines; also includes \$124,521,630.65 from the

sale of motor vehicle use stamps and \$10,788,247.20 from the sale of documentary stamps deposited by postmasters.

<sup>5</sup> Excludes collections for credit to trust accounts as follows:

Tax on Philippine coconut oil (sec. 602½, act of 1934)..... \$46,314.82

Tax on Puerto Rico manufactured products (act of Mar. 2, 1917)..... 2,179.82

Tax on American Samoa coconut oil (sec. 561, Revenue Act of 1941)..... 1,425.03

Total internal revenue collections reported for credit to trust funds..... 49,919.67

TABLE 10.—Customs collections<sup>1</sup> and refunds, fiscal years 1944 and 1945

[On basis of accounts of Bureau of Customs]

	1944	1945	Percentage increase or decrease (—)		1944	1945	Percentage increase or decrease (—)
Collections:							
Duties:							
Consumption entries.....	\$228,716,830	\$187,568,193	—18.0	Collections—Continued. Miscellaneous—Continued. Sale of Government property, un- claimed and abandoned merchandise. Tonnage tax and navigation fees. All other customs receipts.  Total miscellaneous..... Total customs collections.....			
Warehouse withdrawals.....	192,644,820	156,184,675	—18.9			\$164,730	\$103,598
Mail entries.....	580,640	617,010	6.3			2,222,552	2,222,171
Baggage entries.....	402,775	589,951	46.5			r 153,199	158,216
Informal entries <sup>2</sup> .....	1,086,413	1,551,399	42.8				
Appraisement entries.....	86,519	140,826	62.8		2,948,418	3,397,441	
Increased and additional duties.....	7,051,058	7,684,713	9.0				
Other duties.....	741,565	404,549	45.4		434,259,038	358,138,757	
Total duties.....	431,310,620	354,741,316	—17.8	Refunds:			
Miscellaneous:				Excessive duties.....	3,910,845	7,477,462	91.1
Fines and forfeitures.....	669,325	740,996	10.7	Drawback payments.....	10,451,478	6,896,847	—34.0
Liquidated damages.....	100,641	135,768	34.9	Other.....	89,156	144,443	62.1
Sale of seizures.....	32,971	36,688	11.3	Total refunds.....	14,451,479	14,517,752	0.4

TABLE 11.—Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1943 combined, fiscal year 1944, and monthly during the fiscal year 1945

[On basis of daily Treasury statements, see p. 437]

Receipts and expenditures	Fiscal years 1936 through 1943	Fiscal year 1944	Fiscal year 1945					
			July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
RECEIPTS								
Social security taxes:								
Employment taxes <sup>1</sup>	\$4,560,472,611.00	\$1,292,122,433.67	\$51,751,324.93	\$293,275,962.17	\$3,814,450.72	\$55,427,381.37	\$267,339,643.02	\$3,973,671.01
Tax on employers of 8 or more (employment taxes) <sup>2</sup>	732,228,064.05	179,909,392.52	2,948,062.24	11,727,365.85	666,232.06	3,160,062.12	11,154,333.43	919,094.90
Total, social security taxes	5,292,700,675.05	1,472,031,826.19	54,699,387.17	305,006,328.02	4,480,682.78	58,587,443.49	278,493,976.45	4,892,765.91
Railroad Retirement Act:								
Taxes upon carriers and their employees (unemployment taxes) <sup>1</sup>	896,449,198.31	267,064,592.60	1,394,652.09	14,182,079.45	56,936,075.23	1,404,067.71	14,413,798.57	55,234,933.10
Railroad Unemployment Insurance Act:								
Railroad unemployment insurance contributions <sup>3,4</sup>	30,473,564.30	12,143,004.53	1,324.89	114,038.82	3,309,883.79	5,326.89	110,913.96	3,176,107.69
Total receipts	6,219,623,437.66	1,751,239,423.32	56,095,364.15	319,302,446.29	64,726,641.80	60,056,838.09	293,018,688.98	63,303,806.70
Deduct net appropriations and transfers to Federal old-age and survivors insurance trust fund	4,325,868,462.54	1,259,515,059.93	49,313,947.36	290,841,584.60	1,377,073.14	53,558,240.18	265,470,501.83	2,104,529.81
Net receipts	1,893,754,975.12	491,724,363.39	6,781,416.79	28,460,861.69	63,349,568.66	6,498,597.91	27,548,187.15	61,199,276.89
EXPENDITURES								
Administrative expenses:								
Social Security Act:								
Federal Security Agency:								
Social Security Board (title VII) <sup>5</sup>	154,615,967.00	24,121,872.55	1,787,687.03	2,489,096.02	5,465,208.62	2,118,682.10	2,110,424.49	2,094,204.71
Department of Commerce (title VII) <sup>6</sup>	990,900.48	232,671.35	11,554.76	10,177.13	8,091.29	14,503.62	10,052.23	10,446.50
Department of Labor (title V (5)) <sup>6</sup>	2,446,530.23	414,227.04	34,859.59	35,591.61	32,844.45	33,260.70	31,635.11	30,969.97
Treasury Department <sup>7</sup>	21,192,109.27	7,291,769.74	603,455.57	603,455.57	603,455.58	609,999.86	609,999.86	609,999.86
Total, Social Security Act	179,245,566.98	32,060,540.68	2,437,086.95	2,540,471.71	6,109,599.94	2,776,446.28	2,762,111.69	2,745,621.04
Railroad Retirement Act: <sup>8</sup>								
Railroad Retirement Board:								
Acquisition of service and compensation data	8,294,092.50	381,880.50	5,629.50	-----	-----	32,363.50	13,898.00	21,672.00
Other	18,433,165.22	2,129,431.30	202,391.62	97,734.96	187,191.79	165,436.43	178,542.08	153,099.37



Receipts and expenditures	Fiscal year 1945						Total fiscal year 1945	Grand total fiscal years 1936 through 1945
	January 1945	February 1945	March 1945	April 1945	May 1945	June 1945		
RECEIPTS								
Social security taxes:								
Employment taxes 1.....	\$33,275,454.03	\$222,055,700.16	\$17,640,045.46	\$41,156,713.56	\$315,614,861.25	\$4,591,192.73	\$1,309,919,400.41	\$7,162,514,445.08
Tax on employers of 8 or more (employment taxes) 2 3.....	13,231,748.70	114,251,425.77	9,728,949.37	2,845,038.69	12,337,192.87	1,574,505.05	184,544,012.05	1,096,681,468.62
Total, social security taxes.....	46,507,202.73	336,307,125.93	27,368,994.83	44,001,752.25	327,952,054.12	6,165,698.78	1,494,463,412.46	8,259,195,913.70
Railroad Retirement Act:								
Taxes upon carriers and their employees (employment taxes) 1.....	1,156,466.72	4,678,949.87	65,484,003.53	1,465,240.45	8,587,003.08	60,040,592.06	285,037,861.86	1,448,551,652.77
Railroad Unemployment Insurance Act:								
Railroad unemployment insurance contributions 3 4.....	3,426.87	72,443.81	3,147,128.18	35,539.15	98,111.95	3,124,616.30	13,198,862.30	55,815,431.13
Total receipts.....	47,667,096.32	341,058,519.61	96,000,126.54	45,502,531.85	336,637,169.15	69,330,907.14	1,792,700,136.02	9,763,562,997.60
Deduct net appropriations and transfers to Federal old-age and survivors insurance trust fund.....	30,968,646.71	219,748,892.84	15,333,238.13	38,786,826.13	313,244,973.82	2,221,305.30	1,282,969,759.85	6,808,353,282.32
Net receipts.....	16,698,449.61	121,309,626.77	80,666,888.41	6,715,705.72	23,392,195.33	67,109,601.84	509,730,376.77	2,895,209,715.28
EXPENDITURES								
Administrative expenses:								
Social Security Act:								
Federal Security Agency:								
Social Security Board (title VII) 5 6.....	2,279,094.71	1,622,740.02	2,501,427.43	2,140,394.88	2,324,264.26	2,141,190.83	24,095,623.06	202,833,462.61
Department of Commerce (title VII) 6.....	6,394.25	3,755.70	9,668.10	6,859.71	10,019.11	5,088.41	106,610.81	1,330,242.64
Department of Labor (title V (5)) 6.....	31,668.89	30,400.75	32,785.39	31,984.55	36,086.95	32,909.00	394,536.96	3,255,284.23
Treasury Department 7.....	614,556.65	614,556.66	614,556.66	621,934.43	621,934.43	621,934.43	7,349,839.56	35,833,718.57
Total, Social Security Act.....	2,931,714.50	2,271,453.13	3,158,437.58	2,801,173.57	2,992,304.75	2,801,122.67	31,946,000.39	243,252,708.05
Railroad Retirement Act:8								
Railroad Retirement Board:								
Acquisition of service and compensation data.....	120.00	2.50	342.00	190,990.93	186,027.41	229,827.11	74,027.50	8,750,000.50
Other.....	246,523.38	179,092.89	191,364.88	-----	-----	-----	2,208,222.85	22,770,839.37

Footnotes on pp. 494 and 495.

TABLE 11.—Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1936 through 1943 combined, fiscal year 1944, and monthly during the fiscal year 1945—Continued

Expenditures	Fiscal years 1936 through 1943	Fiscal year 1944	Fiscal year 1945					December 1944
			July 1944	August 1944	September 1944	October 1944	November 1944	
Administrative expenses—Continued. Railroad Unemployment Insurance Act: Railroad Retirement Board: Railroad unemployment insur- ance administration fund <sup>3</sup>	\$13,558,336.62 219,531,161.32	\$3,184,073.09 37,756,545.57	\$312,601.95 2,957,710.02	\$6,301.26 91,736,435.49	\$685,972.67 6,982,764.40	\$361,159.18 3,335,405.39	\$279,261.10 3,233,812.87	\$311,208.02 3,231,600.43
Total, administrative expenses								
Grants to States: Social Security Act: Federal Security Agency: Social Security Board: Old-age assistance (title I)----- Aid to dependent children (title IV)----- Aid to the blind (title X)----- Unemployment compensation administration (title III) <sup>3</sup> ----- Total, Social Security Board----- Public Health Service: Public health work (title VI, sec. 601)----- Total, Federal Security Agency-----	1,639,219,716.65 318,104,110.16 45,837,670.46 9,357,539,525.91 2,330,701,023.18 69,361,336.66 2,430,092,359.84	360,628,077.67 57,035,092.96 10,344,422.18 36,313,494.00 464,321,686.81 10,857,282.83 475,178,969.64	30,555,136.66 5,570,976.77 1,010,003.32 9,601,878.77 46,737,995.52 3,135,360.00 49,873,355.52	31,796,167.87 5,049,636.20 898,599.27 172,894.80 37,917,298.14 52,979.00 37,970,277.14	22,931,285.39 3,485,009.13 738,588.83 210,979.63 27,365,862.98 184,013.00 27,549,875.98	30,035,288.70 5,449,109.21 1,069,253.45 7,027,073.41 43,580,724.77 2,246,012.00 45,826,736.77	29,090,899.54 4,385,778.22 741,714.79 1,041,982.15 35,260,374.70 219,407.00 35,479,781.70	24,986,920.51 3,186,934.21 705,285.30 79.20 28,879,219.22 82,978.53 28,962,197.75
Executive Office: Office for Emergency Manage- ment: War Manpower Commission (U. S. Employment Service) <sup>10</sup> ----- Department of Labor: Maternal and child health services (title V (1))----- Services for crippled children (title V (2))----- Child-welfare services (title V (3))----- Total, Department of Labor----- Total, grants to States-----	20,687,646.84 11 34,401,106.94 23,508,369.73 10,228,668.62 68,138,145.29 2,518,888,151.97	1,338,946.16 11 6,216,617.62 3,811,902.98 1,442,795.38 11,471,315.98 487,989,231.78	71,851.59 221,354.74 100,607.99 22,299.76 344,262.49 50,289,469.69	4,798.19 282,484.89 249,640.55 272,034.74 804,180.18 38,779,255.51	4,651.65 455,528.25 238,875.77 47,188.28 741,592.30 28,296,119.93	2,382.24 411,863.08 398,906.32 287,390.55 1,098,159.95 46,927,278.96	250.70 491,010.76 329,386.61 39,108.19 859,505.56 36,339,537.96	203.86 341,339.31 258,967.55 5,092.55 605,399.41 29,567,801.02

Expenditures	Fiscal year 1945						Total fiscal year 1945	Grand total fiscal years 1936 through 1945
	January 1945	February 1945	March 1945	April 1945	May 1945	June 1945		
Administrative expenses—Continued.								
Railroad Unemployment Insurance Act:								
Railroad Retirement Board:								
Railroad unemployment insurance administration fund <sup>3</sup> \$	\$225,821.68	\$211,617.30	\$230,609.47	\$262,203.12	\$371,016.09	\$292,409.20	\$3,650,241.04	\$20,393,250.75
Total, administrative expenses-----	3,404,179.56	2,662,165.82	3,680,753.93	3,254,367.62	3,549,348.25	3,323,418.98	37,879,091.78	205,166,798.67
Grants to States:								
Social Security Act:								
Federal Security Agency:								
Social Security Board:								
Old-age assistance (title I)-----	31,617,695.53	22,379,402.16	27,605,154.25	31,593,602.31	28,888,835.23	22,123,815.01	333,604,263.16	2,333,452,057.48
Aid to dependent children (title IV)-----	5,054,886.53	4,595,170.25	3,372,325.64	4,698,117.63	4,566,936.34	3,365,481.38	52,780,362.51	427,920,165.63
Aid to the blind (title X)-----	968,963.91	758,705.37	783,776.94	987,576.39	992,156.45	302,889.08	9,957,507.10	66,139,599.74
Unemployment compensation administration (title III) <sup>3</sup>	8,560,075.63	45.52	60,898.36	4,766,089.55	65,554.60	2,734,008.84	34,241,560.46	428,094,580.37
Total, Social Security Board-----	46,201,621.60	27,733,383.30	31,822,156.19	42,045,379.88	34,513,482.62	28,526,194.31	430,583,693.23	3,255,606,403.22
Public Health Service:								
Public health work (title VI, sec. 600)-----	1,915,822.47	262,277.00	180,715.00	2,158,291.78	190,809.58	64,641.66	10,663,307.02	90,911,926.51
Total, Federal Security Agency-----	48,117,444.07	27,995,660.30	32,002,871.19	44,203,671.66	34,704,292.20	28,590,835.97	441,277,000.25	3,346,518,329.73
Executive Office:								
Office for Emergency Management:								
War Manpower Commission (U. S. Employment Service) <sup>10</sup> -----	26.92	671.25	19,865.99	7,717.20	2,404.83	1,803.10	115,885.02	22,142,478.02
Department of Labor:								
Maternal and child health services (title V (1))-----	613,732.06	602,787.54	280,135.99	708,236.81	549,060.38	423,210.55	5,380,744.36	45,998,468.92
Services for crippled children (title V (2))-----	500,388.57	282,341.12	163,296.50	627,965.12	404,591.73	218,440.57	3,773,408.40	31,063,081.11
Child-welfare services (title V (3))-----	292,998.18	37,064.91	20,804.35	303,638.40	22,419.19	-----	1,350,059.10	13,021,523.10
Total, Department of Labor-----	1,407,118.81	922,193.57	464,236.84	1,639,840.33	976,071.30	641,651.12	10,504,211.86	90,113,673.13
Total, grants to States-----	49,524,580.80	28,917,782.62	32,486,974.02	45,851,229.19	35,682,768.33	29,234,290.19	451,897,097.13	3,458,774,480.88

TABLE 11.—Receipts and expenditures of the social security program under the Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts, fiscal years 1935 through 1943 combined, fiscal year 1944, and monthly during the fiscal year 1945—Continued

Expenditures	Fiscal years 1936 through 1943	Fiscal year 1944	Fiscal year 1945						
			July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	
Refunds of taxes: <sup>12</sup>									
Refunds of social security taxes:									
Employment taxes <sup>1</sup> .....	\$4, 270, 645. 25	\$1, 969, 194. 12	\$157, 834. 44	\$231, 321. 03	\$189, 524. 03	\$264, 222. 84	\$336, 942. 20	\$331, 979. 67	\$331, 979. 67
Tax on employers of 8 or more: <sup>3</sup>									
Refunds to States <sup>2</sup> .....	40, 561, 886. 43								
Refunds to others.....	9, 306, 012. 68	2, 205, 446. 97	263, 680. 24	440, 885. 19	345, 865. 89	470, 171. 08	341, 128. 01	243, 546. 51	243, 546. 51
Total, tax on employers of 8 or more.....	49, 867, 899. 11	2, 205, 446. 97	263, 680. 24	440, 885. 19	345, 865. 89	470, 171. 08	341, 128. 01	243, 546. 51	243, 546. 51
Total, refunds of social security taxes.....	54, 138, 544. 36	4, 174, 641. 09	421, 514. 68	672, 206. 22	535, 389. 92	734, 393. 92	678, 070. 21	578, 526. 18	578, 526. 18
Refunds of taxes upon carriers and their employees <sup>1</sup> .....	339, 258. 11	50, 795. 83		4. 83		442. 57	10, 064. 30	65. 63	65. 63
Total, refunds of taxes.....	54, 477, 802. 47	4, 225, 436. 92	421, 514. 68	672, 211. 05	535, 389. 92	734, 386. 49	688, 134. 51	578, 591. 81	578, 591. 81
Transfers to trust accounts:									
Railroad Retirement account <sup>1</sup> .....	854, 151, 000. 00	292, 720, 000. 00	204, 817, 000. 00			31, 000, 000. 00			
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act of Oct. 10, 1946).....	17, 382, 967. 00	11, 699, 700. 00		8, 948, 213. 00					
Railroad unemployment insurance account: <sup>2</sup>									
Advance (act of June 25, 1938).....	15, 000, 000. 00								
Repayment of advance.....	15, 000, 000. 00								
Total, transfers to trust accounts.....	871, 533, 967. 00	274, 419, 700. 00	204, 817, 000. 00	8, 948, 213. 00		34, 000, 000. 00			
Total expenditures.....	3, 664, 431, 082. 76	894, 390, 914. 27	258, 485, 694. 30	16, 663, 244. 07	35, 814, 274. 25	84, 997, 520. 84	40, 261, 485. 34	33, 377, 963. 26	33, 377, 963. 26

<sup>a</sup> Excess of credits (deduct).<sup>1</sup> Relates to old-age insurance benefits.<sup>2</sup> Second Deficiency Appropriation Act, fiscal year 1938, approved June 25, 1938, carried an appropriation of \$40,561,886.43 pursuant to authorization of Aug. 24, 1937, for making refund to certain States of portions of Federal employees' tax for 1936 collected under the Social Security Act. Also the Railroad Unemployment Insurance Act, approved June 25, 1938, appropriated to the Railroad unemployment insurance administration fund amounts collected or to be collectible with respect to the calendar years 1936, 1937, 1938, and 1939, from carriers subject to the act, under sec. 901 of the Social Security Act.<sup>3</sup> Relates to unemployment insurance benefits.<sup>4</sup> These contributions represent 10 percent of amounts collected under sec. 8 of the Railroad Unemployment Insurance Act, which, in addition to other collections referred to in footnote 2, are appropriated to the railroad unemployment insurance administration fund for the administrative expenses of the Railroad Retirement Board in administering the act.<sup>5</sup> Includes amounts for administrative expenses reimbursed to the general fund of the Treasury under sec. 201 (f) of the Social Security Act, as amended, and, beginning July 1, 1940, also includes expenses for administration of the Wagner-Peyser Act.



Expenditures	Fiscal year 1945						Total fiscal year 1945	Grand total fiscal years 1936 through 1945
	January 1945	February 1945	March 1945	April 1945	May 1945	June 1945		
Refunds of taxes: <sup>12</sup>								
Refunds of social security taxes:								
Employment taxes <sup>1</sup> :	\$310,327.76	\$213,403.46	\$201,468.60	\$239,626.17	\$266,069.65	\$321,913.77	\$3,067,633.62	\$9,307,472.99
Tax on employers of 8 or more: <sup>3</sup>								
Refunds to States <sup>2</sup> :								
Refunds to others:	526,035.00	382,638.94	256,965.14	375,268.77	322,822.57	384,701.98	4,353,719.32	40,561,883.43
Total, tax on employers of 8 or more:	526,035.00	382,638.94	256,965.14	375,268.77	322,822.57	384,701.98	4,353,719.32	15,863,178.97
Total, refunds of social security taxes:								
Refunds of taxes upon carriers and their employees <sup>1</sup> :	836,382.76	596,042.40	458,433.74	614,884.94	588,892.22	708,615.75	7,421,352.94	65,734,538.39
Refunds of taxes:	93,502.39	54,309.43	30.46	1,054.18	83,624.29	2,129.86	245,227.94	635,281.88
Total, refunds of taxes:	929,885.15	650,351.83	458,464.20	615,939.12	672,516.51	708,745.61	7,666,580.88	13,66,369,820.27
Transfers to trust accounts:								
Railroad Retirement account <sup>1</sup> :								
Railroad unemployment insurance administration fund transfers to unemployment trust fund (act. of Oct. 10, 1940)	34,500,000.00			35,500,000.00			308,817,000.00	1,425,688,000.00
Railroad unemployment insurance account: <sup>4</sup>								
Advance (act. of June 25, 1938)							8,948,213.00	38,030,880.00
Repayment of advance								15,000,000.00
Total, transfers to trust accounts	34,500,000.00			35,500,000.00			317,765,213.00	1,463,718,880.00
Total expenditures	88,358,654.51	32,230,300.27	36,626,192.15	85,221,535.93	39,904,633.09	33,266,454.78	815,207,982.79	5,284,029,979.82

<sup>1</sup> Includes expenditures from appropriations made specifically for administrative expenses, relating to the Social Security and Railroad Retirement Acts. Does not include administrative expenses payable from other appropriations. The principal agencies in the latter group are the Bureau of Internal Revenue of the Treasury Department and the Public Health Service and the Office of Education of the Federal Security Agency. (See also footnote 7.)

<sup>2</sup> Amounts are net of reimbursement for administrative expenses under sec. 201 (f) of the Social Security Act, as amended.

<sup>3</sup> See explanation in footnotes 2 and 4.

<sup>4</sup> Includes expenditures made directly by the Federal Government beginning Jan. 1, 1942, for the maintenance of public employment offices.

<sup>10</sup> Formerly included in "Unemployment compensation administration (title 3)" transferred under Executive Order No. 9247.

<sup>11</sup> Includes expenditures under "First Deficiency Appropriation Act, fiscal year 1943."

<sup>12</sup> These classifications were effective with the month of January 1940; figures for periods prior thereto are shown on the basis of checks issued as reported by the Bureau of Internal Revenue.

<sup>13</sup> This figure includes interest refunded as follows: Employment taxes, \$144,688.06; taxes on employers of 8 or more (refunds to others), \$536,970.45; refunds of taxes upon carriers and their employees, \$52,573.49.

TABLE 12.—Panama Canal receipts and expenditures, fiscal years 1903 through 1945

[On basis of warrants issued, see p. 437]

Year	Receipts covered into the Treasury			Expenditures		
	Tolls	Other <sup>1</sup>	Total	Construction, maintenance, and operation <sup>2</sup>	Fortifications <sup>3</sup>	Total general expenditures
1903-15 <sup>4</sup>	\$3,822,085.29	\$16,751,579.88	\$20,573,665.17	\$871,967,946.80	\$11,031,697.98	\$883,002,644.27
1916	2,480,547.75	389,447.53	2,869,995.28	14,885,194.78	2,865,341.97	17,750,536.75
1917	5,746,606.45	404,062.14	6,150,668.59	16,199,262.47	3,313,532.36	19,512,795.02
1918	6,094,562.52	320,007.73	6,414,570.25	13,549,762.56	7,487,862.36	21,037,624.92
1919	6,418,705.56	338,340.99	6,757,046.55	10,954,409.74	1,561,364.74	12,515,774.48
1920	8,493,459.99	546,210.96	9,039,670.95	6,281,463.72	3,433,892.82	9,715,356.54
1921	11,310,598.62	603,762.70	11,914,361.32	16,480,390.79	2,088,007.66	18,568,398.45
1922	17,229,808.14	849,898.73	18,079,706.87	3,041,035.40	896,327.45	2,937,362.85
1923	17,229,808.14	640,177.11	17,869,985.25	3,870,503.37	950,189.20	4,820,692.57
1924	24,513,221.42	2,611,291.91	27,124,513.33	7,391,711.97	393,963.37	7,785,675.34
1925	21,399,629.39	1,504,103.05	22,903,732.44	9,300,509.73	1,153,322.38	10,453,832.11
1926	22,920,493.06	1,371,424.81	24,291,917.87	8,669,333.57	586,043.94	9,255,377.54
1927	24,239,771.10	1,654,930.35	25,894,701.45	7,863,376.03	1,165,632.53	9,029,008.56
1928	26,952,927.37	1,881,418.05	28,834,345.42	10,909,442.27	943,985.81	12,075,074.80
1929	27,054,600.07	1,776,847.17	28,831,447.24	10,220,913.25	1,165,632.53	11,386,545.78
1930	27,126,563.42	1,815,079.61	28,941,643.03	10,497,935.33	999,413.77	11,497,349.10
1931	20,775,037.39	1,862,644.73	22,637,682.12	10,303,755.15	916,079.29	11,220,734.44
1932	19,464,173.04	1,673,814.18	21,137,987.22	10,904,319.70	779,868.12	11,684,187.82
1933	23,136,261.01	3,719,581.36	26,855,842.37	11,703,139.21	614,916.00	12,318,055.21
1934	23,297,587.74	3,032,129.61	26,329,717.35	10,703,294.89	296,310.58	11,000,605.47
1935	23,231,115.86	2,514,302.24	25,745,418.10	11,258,334.90	473,946.22	12,732,281.12
1936	23,220,859.25	2,170,145.65	25,401,004.90	11,879,521.47	1,791,939.98	12,671,461.45
1937	23,690,683.82	1,721,664.17	25,412,348.00	11,416,004.37	1,311,830.33	12,727,834.70
1938	21,277,039.08	1,297,920.25	22,574,959.33	10,737,752.67	1,742,368.04	12,480,120.71
1939	18,123,270.18	1,314,750.63	19,438,020.81	28,705,521.08	2,862,576.01	31,568,097.09
1940	9,765,364.76	2,267,000.87	12,032,365.63	44,190,365.22	5,294,885.64	49,485,250.86
1941	6,863,357.24	2,362,548.24	9,225,905.48	67,508,420.54	4,535,557.14	72,043,977.68
1942	5,922,957.70	1,715,428.32	7,638,386.02	58,277,629.48	820,703.11	59,098,332.59
1943	7,222,578.38	2,479,061.01	9,701,639.39	19,574,310.85	641,828.79	20,176,139.64
1944	522,146,543.90	68,296,089.61	590,442,633.51	846,985,797.95	59,945,704.88	906,931,502.83
1945						
Total			590,442,633.51	846,985,797.95	59,945,704.88	906,931,502.83

<sup>a</sup> Excess of credits (deduct).

<sup>1</sup> Beginning with the fiscal year 1924, the amounts in this column include the sums received as dividends on capital stock of the Panama Railroad owned by the United States. The amounts shown in this column include the payments to the Government of Panama under the treaty of Nov. 18, 1903, of \$250,000 per annum, the first payment being made during the fiscal year 1913, and similar payments continuing each year since that date until 1940, when the amount was increased to \$300,000 per annum, and also includes for 1940 the amount of \$2,580,000 for payments from 1934 to 1939, inclusive, at the rate of \$430,000 per annum pursuant to the treaty of Mar. 2, 1936; but do not include the payment to the Government of Colombia growing out of the construction of the Panama Canal of \$5,000,000 per annum during the fiscal years 1923 to 1927, inclusive, an aggregate sum of \$25,000,000 as provided for under the treaty of Apr. 6, 1914. Includes expenses of civil government, Panama Canal and Canal Zone.

<sup>2</sup> Includes expenditures made from specific appropriations for fortifications of the Canal but no expenditures from general appropriations that may have been for this purpose.

<sup>3</sup> For details for the fiscal years 1903 through 1915, see annual report for 1944, p. 585.

<sup>4</sup> This amount includes the \$40,000,000 paid to the New Panama Canal Company of France for the acquisition of the property, and the \$10,000,000 paid to the Republic of Panama in connection with the Canal Zone as provided for under art. 14 of the treaty of November 18, 1903.

TABLE 13.—*Postal receipts and expenditures, fiscal years 1789 through 1945* <sup>1</sup>

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues	Postal expenditures <sup>2</sup>		Surplus or deficit (—)	Surplus revenue paid into Treasury <sup>4</sup>	Grants from Treasury to cover postal deficiencies <sup>5</sup>
		Extraordinary expenditures as reported under act of June 9, 1930 <sup>3</sup>	Other			
1789-01	\$91,739		\$76,397	\$15,342		
1792	67,443		54,530	12,913		
1793	104,746		72,039	32,707	\$11,021	
1794	128,947		89,972	38,975		
1795	160,620		117,893	42,727	22,400	
1796	195,066		131,571	63,495	72,910	
1797	213,998		150,114	63,884	64,500	
1798	232,977		179,084	53,893	39,500	
1799	264,846		188,037	76,809	41,000	
1800	280,804		213,994	66,810	78,000	
1801	320,442		255,151	65,291	79,500	
1802	327,044		281,916	45,128	35,000	
1803	351,822		322,364	29,458	16,427	
1804	389,449		337,502	51,947	26,500	
1805	421,373		377,367	44,006	21,343	
1806	446,105		417,233	28,872	41,118	
1807	478,762		453,885	24,877	3,615	
1808	460,564		462,828	-2,264		
1809	506,633		498,012	8,621		
1810	551,684		495,969	55,715		
1811	587,246		499,098	88,148	38	
1812	649,208		540,165	109,043	85,040	
1813	703,154		681,011	22,143	35,000	
1814	730,370		727,126	3,244	45,000	
1815	1,043,065		748,121	294,944	135,000	
1816	961,782		804,022	157,760	149,788	
1817	1,002,973		916,515	86,458	29,372	
1818	1,130,235		1,035,832	94,403	20,070	
1819	1,204,737		1,117,861	86,876	71	
1820	1,111,927		1,160,926	-48,999	6,466	
1821	1,059,087		1,165,481	-106,394	517	
1822	1,117,490		1,167,572	-50,082	602	
1823	1,130,115		1,156,995	-26,880	111	
1824	1,197,758		1,188,019	9,739		
1825	1,306,525		1,229,043	77,482	470	
1826	1,447,703		1,366,712	80,991	300	
1827	1,524,633		1,469,959	54,674	101	
1828	1,659,915		1,689,945	-30,030	20	
1829	1,707,418		1,782,132	-74,714	87	
1830	1,850,583		1,932,708	-82,125	55	
1831	1,997,811		1,936,122	61,689	561	
1832	2,258,570		2,266,171	-7,601	245	
1833	2,617,011		2,930,414	-313,403		
1834	2,823,749		2,910,605	-86,856	100	
1835	2,993,556		2,757,350	236,206	893	
1836	3,408,323		2,841,766	566,557	11	
1837	4,101,703		3,288,319	813,385		
1838	4,238,733		4,430,662	-191,929		
1839	4,484,657		4,636,536	-151,880		
1840	4,543,522		4,718,236	-174,714		
1841	4,407,726		4,499,687	-91,960		\$407,657
1842	4,546,850		5,671,063	-1,124,213		53,697
1843	4,296,225		4,374,844	-78,619		21,303
1844	4,237,288		4,298,628	-61,340		
1845	4,289,842		4,326,692	-36,850		
1846	3,487,199		4,120,518	-633,318		810,232
1847	3,880,309		4,081,128	-200,819		536,299

Footnotes at end of table.

TABLE 13.—*Postal receipts and expenditures, fiscal years 1789 through 1945*<sup>1</sup>—Con.

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues	Postal expenditures <sup>2</sup>		Surplus or deficit (—)	Surplus revenue paid into Treasury <sup>4</sup>	Grants from Treasury to cover postal deficiencies <sup>3</sup>
		Extraordinary expenditures as reported under act of June 9, 1930 <sup>3</sup>	Other			
1848	\$4,555,211	-----	\$4,380,460	\$174,751	-----	\$22,222
1849	4,705,176	-----	4,477,664	227,513	-----	-----
1850	5,499,985	-----	5,213,245	286,740	-----	-----
1851	6,410,604	-----	6,278,710	131,895	-----	-----
1852	5,184,527	-----	7,107,550	-1,923,023	-----	1,041,444
1853	5,240,725	-----	7,983,089	-2,742,365	-----	2,153,750
1854	6,255,586	-----	8,608,286	-2,352,700	-----	3,207,346
1855	6,642,136	-----	9,968,992	-3,326,856	-----	3,078,814
1856	6,920,822	-----	10,407,863	-3,487,047	-----	3,199,118
1857	7,353,952	-----	11,507,670	-4,153,718	-----	3,616,883
1858	7,486,793	-----	12,721,637	-5,234,844	-----	4,748,923
1859	7,968,484	-----	11,457,512	-3,489,028	-----	4,808,558
1860	8,518,067	-----	19,170,606	-10,652,539	-----	9,889,546
1861	8,349,296	-----	13,601,263	-5,251,967	-----	5,170,895
1862	8,299,821	-----	11,125,965	-2,826,144	-----	3,561,729
1863	11,163,790	-----	11,306,415	-142,625	-----	749,314
1864	12,438,254	-----	12,843,069	-404,815	-----	999,980
1865	14,556,159	-----	13,638,909	917,250	-----	250,000
1866	14,386,986	-----	15,320,837	-933,851	-----	-----
1867	15,237,027	-----	19,209,379	-3,972,352	-----	3,516,667
1868	16,292,601	-----	22,837,949	-6,545,348	-----	4,053,192
1869	17,314,176	-----	23,677,913	-6,363,737	-----	5,395,510
1870	18,879,537	-----	23,977,391	-5,097,854	-----	4,844,579
1871	20,037,045	-----	24,395,798	-4,358,752	-----	5,131,250
1872	21,915,426	-----	26,664,520	-4,749,094	-----	5,175,000
1873	22,996,742	-----	29,125,634	-6,128,893	-----	5,490,475
1874	26,471,072	-----	32,228,980	-5,757,908	-----	4,714,045
1875	26,791,314	-----	33,611,634	-6,820,321	-----	7,211,646
1876	28,644,198	-----	33,291,451	-4,647,253	-----	5,092,540
1877	27,531,585	-----	33,658,941	-6,127,356	-----	6,170,339
1878	29,277,517	-----	34,182,546	-4,905,029	-----	5,753,394
1879	30,041,983	-----	33,457,916	-3,415,933	-----	4,773,524
1880	33,315,479	-----	36,537,433	-3,221,953	-----	3,071,000
1881	36,785,398	-----	39,607,357	-2,821,959	-----	3,895,639
1882	41,876,410	-----	40,622,487	1,253,924	-----	-----
1883	45,508,693	-----	43,327,340	2,181,354	-----	74,503
1884	43,325,959	-----	47,233,016	-3,907,057	-----	-----
1885	42,560,844	-----	50,042,254	-7,481,410	-----	4,541,611
1886	43,948,423	-----	51,016,918	-7,068,495	-----	8,193,652
1887	48,837,609	-----	52,982,628	-4,145,018	-----	6,501,247
1888	52,695,177	-----	56,467,643	-3,772,466	-----	3,056,037
1889	56,175,611	-----	62,344,716	-6,169,104	-----	3,868,920
1890	60,882,098	-----	66,282,862	-5,400,764	-----	6,875,037
1891	65,931,786	-----	73,082,396	-7,150,610	-----	4,741,772
1892	70,930,476	-----	77,041,452	-6,110,976	-----	4,051,490
1893	75,896,933	-----	81,613,722	-5,716,789	-----	5,946,785
1894	75,080,479	-----	85,057,994	-9,977,515	-----	8,250,000
1895	76,983,128	-----	87,213,570	-10,230,442	-----	11,016,542
1896	82,499,208	-----	90,943,410	-8,444,201	-----	9,300,000
1897	82,665,463	-----	94,097,042	-11,431,579	-----	11,149,206
1898	89,012,619	-----	98,067,170	-9,054,552	-----	10,504,040
1899	95,021,384	-----	101,651,520	-6,630,136	-----	8,211,570
1900	102,354,579	-----	107,764,937	-5,410,358	-----	7,230,779
1901	111,631,193	-----	115,612,714	-3,981,521	-----	4,954,762
1902	121,848,047	-----	124,809,217	-2,961,170	-----	2,402,153
1903	134,224,443	-----	138,811,420	-4,586,977	-----	2,768,919
1904	143,582,624	-----	152,395,394	-8,812,769	-----	6,502,531
1905	152,826,585	-----	167,420,972	-14,594,387	-----	15,065,257

Footnotes at end of table.



TABLE 13.—*Postal receipts and expenditures, fiscal years 1789 through 1945*<sup>1</sup>—Con.

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues	Postal expenditures <sup>2</sup>		Surplus or deficit (—)	Surplus revenue paid into Treasury <sup>4</sup>	Grants from Treasury to cover postal deficiencies <sup>5</sup>
		Extraordinary expenditures as reported under act of June 9, 1930 <sup>3</sup>	Other			
1906.....	\$167,932,783		\$178,475,725	—\$10,542,942		\$12,673,294
1907.....	153,585,006		190,277,037	—6,692,031		7,629,353
1908.....	191,478,663		208,388,942	—16,910,279		12,888,041
1909.....	203,562,383		221,042,154	—17,479,770		19,501,062
1910.....	224,128,658		230,010,140	—5,881,482		8,495,612
1911.....	237,879,824		237,660,705	219,118		133,784
1912.....	246,744,016		248,529,539	—1,785,523		1,568,195
1913.....	266,619,526		262,108,875	4,510,651		1,027,369
1914.....	287,934,566		283,558,103	4,376,463	\$3,800,000	
1915.....	287,248,165		298,581,474	—11,333,309	3,500,000	6,636,593
1916.....	312,057,689		306,228,453	5,829,236		5,500,000
1917.....	329,726,116		319,889,904	9,836,212	5,200,000	
1918.....	388,975,962		324,849,188	64,126,774	48,630,701	<sup>2</sup> 2,221,095
1919.....	436,239,126		362,504,274	73,734,852	89,906,000	343,511
1920.....	437,150,212		<sup>7</sup> 418,722,295	18,427,917	5,213,000	<sup>7</sup> 114,854
1921.....	463,491,275		<sup>7</sup> 619,634,948	—156,143,673		<sup>7</sup> 130,128,458
1922.....	484,853,541		<sup>7</sup> 545,662,241	—60,808,700	81,494	<sup>7</sup> 64,346,235
1923.....	532,827,925		556,893,129	—24,065,204		32,626,915
1924.....	572,948,778		587,412,755	—14,463,976		12,638,850
1925.....	599,591,478		639,336,505	—39,745,027		23,216,784
1926.....	659,819,801		679,792,180	—19,972,379		39,506,490
1927.....	683,121,989		714,628,189	—31,506,201		27,263,191
1928.....	693,633,921		725,755,017	—32,121,096		32,080,202
1929.....	696,947,578		782,408,754	—85,461,176		94,699,744
1930.....	705,484,098	\$39,669,718	764,030,368	—98,215,987		91,714,451
1931.....	656,463,383	48,047,308	754,482,265	—146,066,190		145,643,613
1932.....	588,171,923	53,304,423	740,418,111	—205,550,611		202,876,341
1933.....	587,631,364	61,691,287	638,314,969	—112,374,892		117,380,192
1934.....	586,733,166	66,623,130	564,143,871	—44,033,835		102,003,296
1935.....	630,795,302	69,537,252	627,066,001	—65,807,951		63,970,405
1936.....	665,343,356	68,585,283	685,074,398	—88,316,324		86,038,862
1937.....	726,201,110	51,587,336	721,228,506	—46,614,732		41,896,945
1938.....	728,634,051	42,799,687	729,645,920	—43,811,556		44,258,861
1939.....	745,955,075	48,540,273	736,106,665	—38,691,863		41,237,263
1940.....	766,948,627	53,331,172	754,401,694	—40,784,239		40,870,336
1941.....	812,827,736	58,837,470	778,108,078	—24,117,812		30,064,048
1942.....	859,817,491	73,916,128	800,040,400	—14,139,037		18,308,869
1943.....	966,227,289	122,343,916	830,191,463	13,691,909		14,620,875
1944.....	1,112,877,174	126,639,650	942,345,968	43,891,556	1,000,000	<sup>8</sup> —28,999,995
1945.....	1,314,240,132	116,198,782	1,028,902,402	169,138,948	188,102,579	649,769

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

<sup>1</sup> From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.<sup>2</sup> Postal expenditures include adjusted losses, etc.—postal funds and expenditures from postal balances, but are exclusive of departmental expenditures in Washington, D. C., to the close of fiscal year 1922, and amounts transferred to the civil service retirement and disability fund, fiscal years 1921 to 1926, inclusive. For 1927 and subsequent years salary deductions are included in "Postal expenditures," the deductions having been paid to and deposited by disbursing clerks for credit of the retirement fund.<sup>3</sup> See explanation in exhibit 54, p. 434.<sup>4</sup> On basis of warrants issued from 1793 to 1915, and on basis of daily Treasury statements from 1916 to date.<sup>5</sup> On basis of warrants issued prior to 1922 and on basis of daily Treasury statements (see p. 437) for 1922 and thereafter. Represents advances from the General Fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress approved June 9, 1930. Excludes amounts transferred to the civil service retirement and disability fund under act of May 22, 1920 (41 Stat. 614), and amendments thereto on account of salary deductions of 2½ percent, as follows: 1921, \$6,519,683.59; 1922, \$7,899,006.28; 1923, \$8,284,081.00; 1924, \$8,679,658.60; 1925, \$10,266,977.00; and 1926, \$10,472,289.59. See note 2.<sup>6</sup> Actual advances from General Fund were reduced by repayment of \$5,800,000 from prior year advances which was carried to surplus.<sup>7</sup> Exclusive of General Fund payments from the appropriation "Additional compensation, Postal Service" under authority of the act approved Nov. 8, 1919, in the amounts of \$35,698,400, \$1,374,015, and \$6,700 for the fiscal years 1920, 1921, and 1922, respectively.<sup>8</sup> Repayment of unexpended portion of prior years' advances.

TABLE 14.—*Selected receipts and expenditures of the Government, fiscal years 1789 through 1945*

[On basis of warrants issued from 1789 to 1930, and on basis of checks issued for 1931 and subsequent years, see p. 438]

Fiscal year	Receipts from sales of public lands	Expenditures		Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions			Indians	Veterans' pensions
1789-91		\$27,000	\$175,814	1840	\$3,292,683	\$2,331,795	\$2,603,950
1792		13,649	109,243	1841	1,365,627	2,594,063	2,388,496
1793		27,283	80,088	1842	1,335,798	1,201,062	1,379,469
1794		13,042	81,399	1843	897,518	581,680	843,323
1795		23,476	68,673	1844	2,059,940	1,179,279	2,030,598
1796	\$4,836	113,564	100,844	1845	2,077,022	1,540,817	2,396,642
1797	83,541	62,396	92,257	1846	2,694,452	1,021,461	1,810,371
1798	11,963	16,470	104,845	1847	2,498,355	1,470,306	1,747,917
1799		20,302	95,444	1848	3,328,643	1,221,792	1,211,270
				1849	1,688,960	1,373,119	1,330,010
1800	444	31	64,131	1850	1,859,894	1,665,802	1,870,292
1801	167,726	9,000	73,533	1851	2,352,305	2,895,700	2,290,278
1802	188,628	94,000	85,440	1852	2,043,240	2,980,403	2,403,953
1803	165,676	60,000	62,902	1853	1,667,085	3,905,745	1,777,871
1804	487,527	116,500	80,093	1854	8,470,798	1,553,031	1,237,879
1805	540,194	196,500	81,855	1855	11,497,049	2,792,552	1,450,153
1806	765,246	234,200	81,876	1856	8,917,645	2,769,430	1,298,209
1807	466,163	205,425	70,500	1857	3,829,487	4,267,543	1,312,043
1808	647,039	213,575	82,576	1858	3,513,716	4,926,739	1,217,488
1809	442,252	337,504	87,834	1859	1,756,687	3,625,027	1,220,378
1810	696,549	177,625	83,744	1860	1,778,558	2,949,191	1,102,926
1811	1,040,238	151,875	75,044	1861	870,659	2,841,358	1,036,064
1812	710,428	277,845	91,402	1862	152,204	2,273,224	853,095
1813	835,655	167,358	86,990	1863	167,617	3,154,357	1,078,991
1814	1,135,971	167,395	90,164	1864	588,333	2,629,859	4,983,924
1815	1,287,959	530,750	69,656	1865	996,553	5,116,837	16,338,811
1816	1,717,985	274,512	188,804	1866	665,031	3,247,065	15,605,352
1817	1,991,226	319,464	297,374	1867	1,163,576	4,642,532	20,936,552
1818	2,606,565	505,704	890,720	1868	1,348,715	4,100,682	23,782,387
1819	3,274,423	463,181	2,415,940	1869	4,020,344	7,042,923	28,476,622
1820	1,635,872	315,750	3,208,376	1870	3,350,482	3,407,938	28,340,202
1821	1,212,966	477,005	242,817	1871	2,388,647	7,426,997	34,443,895
1822	1,803,582	575,007	1,948,199	1872	2,575,714	7,061,729	28,533,403
1823	916,523	380,782	1,780,689	1873	2,882,312	7,951,705	29,359,427
1824	984,418	429,988	1,499,327	1874	1,852,429	6,692,462	29,038,415
1825	1,216,091	724,106	1,308,811	1875	1,413,640	8,384,657	29,456,216
1826	1,393,785	743,448	1,556,594	1876	1,129,467	5,966,558	28,257,396
1827	1,495,845	760,625	976,139	1877	976,254	5,277,007	27,963,752
1828	1,018,309	705,084	850,574	1878	1,079,743	4,629,280	27,137,019
1829	1,517,175	576,345	949,594	1879	924,781	5,206,109	35,121,482
1830	2,329,356	622,262	1,363,297	1880	1,016,507	5,945,457	56,777,175
1831	3,210,815	930,738	1,170,665	1881	2,201,863	6,514,161	50,059,280
1832	2,623,381	1,352,420	1,184,422	1882	4,753,140	9,736,748	61,345,194
1833	3,967,683	1,802,981	4,589,152	1883	7,955,864	7,362,591	66,012,574
1834	4,857,601	1,003,953	3,364,285	1884	9,810,705	6,475,999	55,429,228
1835	14,757,601	1,706,444	1,954,711	1885	5,705,986	6,552,495	56,102,268
1836	24,877,180	4,615,141	2,882,798	1886	5,630,999	6,099,158	63,404,864
1837	6,776,237	4,348,076	2,672,162	1887	9,254,286	6,194,523	75,029,102
1838	3,081,940	5,504,191	2,156,086	1888	11,202,017	6,249,308	80,288,509
1839	7,076,447	2,528,917	3,142,884	1889	8,038,652	6,892,208	87,624,779

Footnotes at end of table.

TABLE 14.—*Selected receipts and expenditures of the Government, fiscal years 1789 through 1945—Continued*

Fiscal year	Receipts from sales of public lands	Expenditures		Fiscal year	Receipts from sales of public lands	Expenditures	
		Indians	Veterans' pensions			Indians	Veterans' pensions
1890.....	\$6,358,273	\$6,708,047	\$106,936,855	1920.....	\$1,910,140	\$40,516,832	\$213,344,204
1891.....	4,029,535	8,527,469	124,415,951	1921.....	1,530,439	41,470,805	260,611,416
1892.....	3,261,876	11,150,578	134,583,053	1922.....	895,391	38,500,413	252,576,843
1893.....	3,182,090	13,345,347	159,357,558	1923.....	656,508	45,142,763	264,147,869
1894.....	1,673,637	10,293,482	141,177,285	1924.....	522,223	46,754,026	228,261,555
1895.....	1,103,347	9,939,754	141,395,229	1925.....	623,534	38,755,457	218,321,424
1896.....	1,005,523	12,165,528	139,434,001	1926.....	754,253	48,442,120	207,189,622
1897.....	864,581	13,016,802	141,053,165	1927.....	621,187	36,791,649	230,556,065
1898.....	1,243,129	10,994,668	147,452,369	1928.....	384,651	36,990,808	229,401,462
1899.....	1,678,247	12,805,711	139,394,929	1929.....	314,568	34,086,586	229,781,079
1900.....	2,836,883	10,175,107	140,877,316	1930.....	395,744	32,066,628	220,608,931
1901.....	2,965,120	10,896,073	139,323,622	1931.....	230,302	26,778,585	234,402,722
1902.....	4,144,123	10,049,585	138,488,560	1932.....	170,339	26,125,092	232,521,292
1903.....	8,926,311	12,935,168	138,425,646	1933.....	102,561	22,722,347	234,990,427
1904.....	7,453,480	10,438,350	142,559,266	1934.....	99,336	23,372,905	319,322,034
1905.....	4,859,250	14,236,074	141,773,965	1935.....	86,757	27,918,899	373,804,501
1906.....	4,879,834	12,746,859	141,034,562	1936.....	74,355	28,875,773	339,065,694
1907.....	7,878,811	15,163,608	139,309,514	1937.....	71,218	36,993,148	396,047,400
1908.....	9,731,560	14,579,756	153,892,467	1938.....	95,649	33,378,389	402,779,083
1909.....	7,700,568	15,694,618	161,710,367	1939.....	248,461	46,964,171	416,720,951
1910.....	6,355,797	18,504,132	160,696,416	1940.....	117,020	37,821,090	429,178,230
1911.....	5,731,637	20,933,869	157,980,575	1941.....	178,246	33,587,984	433,147,890
1912.....	5,392,797	20,134,840	153,590,456	1942.....	89,605	31,833,510	431,294,492
1913.....	2,910,205	20,306,159	175,085,450	1943.....	129,206	24,665,410	442,393,770
1914.....	2,571,775	20,215,076	173,440,231	1944.....	99,320	31,206,494	494,959,142
1915.....	2,167,136	22,130,351	164,387,942	1945.....	184,399	29,679,512	772,190,347
1916.....	1,887,662	17,570,284	159,302,351				
1917.....	1,892,893	30,598,093	160,318,406				
1918.....	1,969,455	30,888,400	181,137,754				
1919.....	1,404,705	34,593,257	221,614,781				

<sup>1</sup> From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

<sup>2</sup> Excludes interest accounts which are included in trust fund expenditures.

TABLE 15.—*Expenses of the Internal Revenue Service, fiscal year 1945*

[On basis of checks issued, see p. 438]

## PART A. RECAPITULATION

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1945:					
Collectors.....	\$67,242,065.68	\$1,919,071.81	\$1,571,566.25	\$1,274,154.13	\$72,006,857.87
Agents.....	20,613,031.62	694,189.90	770,512.93	236,723.14	22,314,457.59
Supervisors.....	13,259,568.46	855,034.74	261,757.99	705,586.54	15,081,947.73
Technical Staff, field forces.....	1,934,427.16	23,769.89	364,147.69	79,768.20	2,402,112.94
Chief Counsel, field forces.....	912,204.61	24,203.37			936,407.98
Departmental service and field forces operating from Washington.....	19,505,022.42	495,515.58	220,162.04	2,883,669.65	23,104,369.69
Subtotal.....	123,466,319.95	4,011,785.29	3,188,146.90	5,179,901.66	135,846,153.80
Appropriations prior to 1945.....	302,732.38	430,607.14	366,422.94	1,491,466.36	2,591,228.82
Total.....	123,769,052.33	4,442,392.43	3,554,569.84	6,671,368.02	138,437,382.62



TABLE 15.—*Expenses of the Internal Revenue Service, fiscal year 1945—Continued*

PART B. DISBURSEMENTS FOR COLLECTORS OF INTERNAL REVENUE FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1945"

District	Salaries of collectors, deputies, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Alabama.....	\$639,571.49	\$32,610.53	\$6,914.75	\$9,867.98	\$688,964.75
Arizona.....	271,972.13	18,566.01	4,591.56	4,422.55	299,552.25
Arkansas.....	456,516.54	36,363.18	1,310.00	6,545.29	500,735.01
California:					
First District.....	2,183,535.13	72,969.42	21,062.00	49,701.86	2,327,268.41
Sixth District.....	2,770,051.54	59,416.36	29,974.74	64,920.42	2,924,363.06
Colorado.....	617,881.37	27,900.42	8,912.36	9,938.44	664,632.59
Connecticut.....	1,251,227.21	30,081.14	87,536.12	26,372.67	1,395,217.14
Delaware.....	200,622.21	3,966.04	—	1,945.92	206,534.17
Florida.....	884,551.90	49,438.68	10,603.64	16,760.07	961,354.29
Georgia.....	776,210.82	53,515.22	21,777.64	11,090.18	862,595.86
Hawaii.....	400,706.87	10,780.09	—	6,256.81	417,743.77
Idaho.....	289,636.55	13,033.78	434.50	3,699.41	306,804.24
Illinois:					
First District.....	3,328,066.37	27,692.04	51,792.50	70,312.03	3,477,862.94
Eighth District.....	1,381,435.76	60,295.48	35,727.44	15,823.11	1,493,281.79
Indiana.....	1,690,386.69	37,355.39	7,309.67	30,439.39	1,765,491.14
Iowa.....	1,295,323.26	34,355.56	12,016.61	12,503.97	1,354,199.40
Kansas.....	1,000,990.83	59,248.28	21,082.93	12,644.60	1,093,966.64
Kentucky.....	810,844.94	38,795.32	6,022.50	14,392.17	870,054.93
Louisiana.....	788,851.38	28,714.64	20,752.19	12,516.74	850,834.95
Maine.....	504,115.88	42,232.39	5,487.81	10,408.48	562,244.56
Maryland.....	1,816,184.77	14,569.65	22,581.96	30,790.52	1,884,126.90
Massachusetts.....	2,321,397.04	14,921.19	84,746.26	59,478.39	2,480,542.88
Michigan.....	2,630,098.28	73,231.69	42,310.73	42,661.19	2,788,301.89
Minnesota.....	1,554,555.94	59,682.03	—	27,488.56	1,641,726.53
Mississippi.....	395,716.40	33,428.53	3,025.00	7,539.94	439,709.87
Missouri:					
First District.....	1,094,142.22	29,925.60	5,157.50	12,358.47	1,141,583.79
Sixth District.....	783,439.73	40,086.04	4,285.00	10,898.92	838,709.69
Montana.....	351,762.26	21,983.90	—	3,915.49	377,061.65
Nebraska.....	696,919.57	41,101.84	4,169.87	21,958.81	764,150.09
Nevada.....	143,833.44	6,050.23	1,100.00	1,537.73	152,521.40
New Hampshire.....	316,927.09	10,709.90	7,470.00	3,764.61	338,871.60
New Jersey:					
First District.....	604,642.51	11,164.61	20,296.40	28,570.52	664,674.04
Fifth District.....	1,992,289.57	16,811.09	88,701.46	36,664.99	2,134,467.11
New Mexico.....	216,977.10	17,076.73	805.00	2,990.45	237,849.28
New York:					
First District.....	2,363,951.59	6,422.62	196,278.74	41,322.25	2,607,975.20
Second District.....	1,452,797.57	806.65	51,116.15	35,422.44	1,540,142.81
Third District.....	1,641,314.21	419.56	31,612.13	34,949.34	1,708,295.24
Fourteenth District.....	1,704,131.99	22,281.76	52,302.35	39,342.49	1,818,058.59
Twenty-first District.....	749,063.44	17,041.03	4,462.97	12,053.26	782,620.70
Twenty-eighth District.....	1,218,094.29	20,006.08	3,795.00	11,605.14	1,253,500.51
North Carolina.....	896,648.58	49,443.19	47,503.56	26,272.05	1,019,867.38
North Dakota.....	294,044.86	17,139.32	—	3,050.51	314,234.69
Ohio:					
First District.....	904,080.03	10,138.50	6,901.45	14,815.07	935,935.05
Tenth District.....	592,953.82	15,137.05	9,226.52	9,483.23	626,800.62
Eleventh District.....	577,252.61	18,075.73	5,966.60	7,918.48	609,213.42
Eighteenth District.....	1,713,204.57	32,560.43	139,225.95	44,807.29	1,929,798.24
Oklahoma.....	764,814.12	45,618.40	5,751.48	12,077.43	828,261.43
Oregon.....	730,112.64	25,435.16	11,364.61	12,970.76	779,883.17
Pennsylvania:					
First District.....	2,652,910.58	41,736.44	53,223.70	51,036.39	2,798,907.11
Twelfth District.....	696,181.02	13,188.01	8,558.80	6,909.12	724,836.95
Twenty-third District.....	1,549,183.18	23,840.08	29,841.80	20,893.33	1,623,758.39
Rhode Island.....	469,962.45	3,747.53	62,676.01	14,379.60	550,765.59
South Carolina.....	385,942.53	28,694.23	9,247.52	7,200.04	431,084.32
South Dakota.....	298,694.63	27,687.95	5,917.50	5,562.62	337,833.00
Tennessee.....	813,054.56	31,042.57	—	10,266.22	854,363.35
Texas:					
First District.....	1,416,654.60	49,255.63	44,714.91	25,889.13	1,536,514.27
Second District.....	1,342,241.29	48,312.08	16,647.07	22,602.04	1,429,802.48
Utah.....	293,131.33	9,532.05	—	4,069.27	306,732.65
Vermont.....	211,546.25	13,743.92	4,275.00	5,156.13	234,721.30
Virginia.....	1,030,906.94	62,007.32	26,676.34	34,772.05	1,154,362.65
Washington.....	1,410,406.48	37,181.98	82,792.23	38,815.90	1,569,196.59
West Virginia.....	683,377.53	29,554.41	1,420.00	9,867.40	724,219.34
Wisconsin.....	1,717,417.91	75,641.53	21,509.72	26,773.18	1,841,342.34
Wyoming.....	206,634.99	15,307.60	600.00	2,691.29	225,233.88
Total.....	67,242,065.68	1,919,071.81	1,571,566.25	1,274,154.13	72,006,857.87



TABLE 15.—*Expenses of the Internal Revenue Service, fiscal year 1945*—Continued

PART C. DISBURSEMENTS FOR INTERNAL REVENUE AGENTS FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1945"

Division	Salaries of agents, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Atlanta.....	\$252, 223. 91	\$12, 616. 47		\$2, 430. 87	\$267, 271. 25
Baltimore.....	750, 917. 09	14, 346. 60	\$32, 919. 68	6, 073. 77	804, 257. 14
Boston.....	907, 355. 70	19, 345. 44	28 727. 82	8, 940. 25	964, 369. 21
Brooklyn.....	591, 135. 47	7, 161. 59	17, 633. 28	6, 006. 02	621, 936. 36
Buffalo.....	475, 850. 88	13, 515. 74	21, 525. 57	4, 757. 49	515, 649. 68
Chicago.....	1, 424, 193. 81	20, 644. 65	70, 764. 05	20, 103. 22	1, 535, 705. 73
Cincinnati.....	384, 981. 06	14, 847. 33	20, 355. 94	4, 311. 25	424, 495. 58
Cleveland.....	701, 402. 92	24, 447. 81	35, 449. 00	10, 401. 85	771, 701. 58
Columbia.....	123, 616. 82	6, 685. 50	5, 697. 01	1, 681. 30	137, 680. 63
Dallas.....	855, 736. 75	40, 080. 34	36, 449. 89	6, 798. 88	939, 065. 86
Denver.....	272, 677. 09	14, 129. 04	10, 552. 00	5, 165. 99	302, 524. 12
Detroit.....	793, 894. 94	27, 018. 15	44, 268. 57	10, 102. 69	875, 284. 35
Greensboro.....	320, 075. 18	28, 196. 76		4, 541. 58	352, 813. 52
Honolulu.....	97, 255. 62	3, 277. 87	5, 923. 50	1, 133. 21	107, 590. 20
Huntington.....	140, 027. 28	7, 316. 95	1, 928. 67	2, 024. 61	151, 297. 51
Indianapolis.....	347, 651. 97	23, 753. 78	18, 211. 82	4, 516. 14	394, 133. 71
Jacksonville.....	373, 405. 90	19, 634. 41	14, 148. 59	4, 824. 04	412, 012. 94
Los Angeles.....	878, 427. 70	26, 296. 01	53, 070. 14	10, 055. 67	967, 849. 52
Louisville.....	229, 242. 69	12, 119. 63	8, 729. 60	1, 740. 84	251, 832. 76
Milwaukee.....	330, 344. 46	10, 799. 50	10, 933. 56	4, 676. 08	356, 753. 60
Nashville.....	329, 651. 27	18, 350. 11	12, 921. 01	4, 176. 34	365, 098. 73
Newark.....	850, 047. 26	14, 695. 40	12, 954. 27	13, 367. 97	891, 064. 90
New Haven.....	491, 378. 23	14, 750. 86	21, 095. 00	6, 619. 45	533, 843. 54
New Orleans.....	347, 798. 95	24, 552. 68	16, 857. 77	5, 355. 41	394, 564. 81
New York:					
Second Division.....	1, 606, 496. 65	20, 307. 21	72, 580. 42	14, 622. 43	1, 714, 006. 71
Upper Division.....	1, 565, 080. 30	22, 199. 36	1, 260. 00	11, 413. 70	1, 599, 953. 36
Oklahoma City.....	339, 255. 73	27, 465. 96	15, 254. 90	4, 457. 09	386, 433. 68
Omaha.....	324, 415. 98	15, 345. 45	12, 822. 26	3, 802. 48	356, 386. 17
Philadelphia.....	967, 547. 67	26, 556. 84	48, 220. 42	9, 179. 13	1, 051, 504. 06
Pittsburgh.....	629, 863. 71	13, 922. 57	28, 072. 00	4, 290. 55	676, 148. 83
Richmond.....	281, 733. 72	20, 536. 33	2, 462. 35	5, 230. 14	309, 962. 54
Salt Lake City.....	188, 104. 19	12, 539. 24	6, 045. 28	3, 354. 86	210, 043. 57
San Francisco.....	650, 424. 86	19, 838. 25	27, 372. 21	7, 121. 43	704, 756. 75
Seattle.....	381, 797. 74	16, 770. 64	1, 760. 00	7, 290. 57	407, 618. 95
Springfield.....	194, 712. 99	20, 731. 11	7, 837. 50	2, 321. 20	225, 602. 80
St. Louis.....	608, 439. 47	14, 984. 70	19, 533. 80	5, 412. 90	648, 370. 87
St. Paul.....	365, 281. 06	24, 289. 87	18, 200. 05	6, 161. 63	413, 932. 61
Wichita.....	240, 584. 60	20, 119. 75	7, 975. 00	2, 260. 11	270, 939. 46
Total.....	20, 613, 031. 62	694, 189. 90	770, 512. 93	236, 723. 14	22, 314, 457. 59

PART D. DISBURSEMENTS FOR DISTRICT SUPERVISORS' OFFICES FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1945"

District	Salaries of supervisors, clerks, etc.	Travel expenses	Rent	Miscellaneous	Total
Boston.....	\$853, 740. 95	\$35, 717. 68	\$29, 130. 20	\$34, 994. 02	\$953, 582. 85
New York.....	1, 105, 351. 47	42, 592. 57	56, 908. 40	70, 768. 01	1, 275, 620. 45
Philadelphia.....	1, 185, 642. 21	53, 814. 32	6, 709. 18	35, 927. 85	1, 282, 093. 56
Newark.....	570, 980. 19	14, 818. 25	32, 386. 76	22, 016. 06	640, 201. 26
Baltimore.....	1, 245, 648. 09	89, 750. 70	11, 788. 61	72, 144. 38	1, 419, 331. 78
Atlanta.....	690, 216. 04	70, 451. 16	13, 995. 87	106, 411. 24	881, 074. 31
Louisville.....	1, 539, 636. 16	66, 428. 09	6, 789. 47	42, 498. 37	1, 655, 352. 09
Detroit.....	766, 166. 71	55, 988. 34	31, 849. 61	44, 908. 66	898, 913. 32
Chicago.....	1, 666, 199. 07	93, 462. 40	15, 621. 19	57, 930. 37	1, 833, 213. 03
New Orleans.....	722, 647. 95	70, 686. 92	20, 327. 83	52, 161. 73	865, 824. 43
Kansas City.....	678, 988. 20	69, 271. 05	6, 367. 79	44, 524. 28	799, 151. 32
St. Paul.....	515, 878. 74	53, 495. 93	20, 637. 76	37, 115. 76	627, 128. 19
Denver.....	205, 006. 89	24, 372. 56	6, 475. 15	15, 562. 60	251, 417. 20
San Francisco.....	1, 207, 936. 63	81, 039. 26	2, 132. 17	43, 180. 09	1, 334, 288. 15
Seattle.....	305, 529. 16	33, 145. 51	638. 00	25, 443. 12	364, 755. 79
Total.....	13, 259, 568. 46	855, 034. 74	261, 757. 99	705, 586. 54	15, 081, 947. 73

TABLE 15.—*Expenses of the Internal Revenue Service, fiscal year 1945—Continued*

## PART E. DISBURSEMENTS FOR TECHNICAL STAFF FIELD DIVISIONS FROM THE APPROPRIATION, "COLLECTING THE INTERNAL REVENUE, 1945"

Division	Salaries of Technical Staff field employees	Travel expenses	Rent	Miscellaneous	Total
Atlantic.....	\$132,996.65	\$1,830.93	\$4,606.58	\$3,797.06	\$143,231.22
Central.....	220,849.64	1,965.38	36,970.95	10,458.22	270,244.19
Chicago.....	238,162.30	1,943.55	43,209.85	10,945.39	294,261.09
Eastern.....	290,742.87	2,794.68	56,635.26	8,744.13	358,916.94
New England.....	100,563.83	1,313.28	20,863.28	4,997.03	127,737.42
New York.....	352,275.33	1,596.53	98,846.11	15,097.42	467,815.39
Pacific.....	176,211.31	3,933.92	31,234.78	8,599.82	219,979.83
Southern.....	110,827.29	2,965.18	18,665.13	5,615.16	138,072.76
Southwestern.....	186,060.62	3,159.63	34,578.99	7,156.69	230,955.93
Western.....	125,737.32	2,266.81	18,536.76	4,357.28	150,898.17
Total.....	1,934,427.16	23,769.89	364,147.69	79,768.20	2,402,112.94

## PART F. DISBURSEMENTS FOR CHIEF COUNSEL FIELD DIVISIONS FROM THE APPROPRIATION "COLLECTING THE INTERNAL REVENUE, 1945"

Division	Salaries of Chief Counsel field employees	Travel expenses	Total
Atlantic.....	\$53,860.32	\$1,716.64	\$55,576.96
Central.....	89,026.22	3,676.82	92,703.04
Chicago.....	129,056.92	2,478.35	131,535.27
Eastern.....	129,710.13	2,237.98	131,948.11
New England.....	37,235.82	339.40	37,575.22
New York.....	200,740.88	1,799.21	202,540.09
Pacific.....	91,122.62	3,617.70	94,740.32
Southern.....	58,388.12	2,438.44	60,826.56
Southwestern.....	80,185.02	3,586.20	83,771.22
Western.....	42,878.56	2,312.63	45,191.19
Total.....	912,204.61	24,203.37	936,407.98

## PART G. DISBURSEMENTS FOR DEPARTMENTAL SERVICE AND FIELD FORCES OPERATING FROM WASHINGTON

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1945.....	\$19,505,022.42	\$495,515.58	\$220,162.04	\$2,883,669.65	\$23,104,369.69

## PART H. DISBURSEMENTS IN THE FISCAL YEAR 1945 FROM APPROPRIATIONS FOR YEARS PRIOR TO 1945

Appropriation	Salaries	Travel expenses	Rent	Miscellaneous	Total
Collecting the internal revenue, 1944.....	\$305,098.59	\$430,263.22	\$366,051.86	\$1,646,324.49	\$2,747,738.16
Collecting the internal revenue, 1943.....	-2,069.37	343.04	371.08	-154,858.13	-156,213.38
Salaries and administrative expenses for refunding processing and related taxes and administering Title III, Revenue Acts of 1936, 1943.....	-296.84	.88	-----	-----	-295.96
Total.....	302,732.38	430,607.14	366,422.94	1,491,466.36	2,591,228.82

## CLAIMS APPROVED FOR PAYMENT FROM THE REFUNDING APPROPRIATIONS

Appropriation <sup>1</sup>	Total
Refunding internal revenue collections, 1945 and prior years.....	\$903,565,210.08
Refunds and payments of processing and related taxes, Bureau of Internal Revenue, 1945.....	670,024.92
Total.....	904,235,235.00

<sup>1</sup> In addition post-war refund of excess profits tax is refunded in the form of noninterest-bearing bonds of the United States.

## WAR ACTIVITIES PROGRAM

TABLE 16.—Appropriations and net contract authorizations for war activities, as of June 30, 1945<sup>1</sup>

Date approved	Public Law No.		Appropriations <sup>2</sup>	Net contract authorizations <sup>3</sup>
SUMMARY BY SESSIONS OF CONGRESS				
		Total, 76th Cong., 3d sess.	\$8,994,015,828.00	
		Total, 77th Cong., 1st sess.	49,396,437,450.00	\$662,000,000.00
		Total, 77th Cong., 2d sess.	139,736,203,987.94	2,321,000,000.00
		Total, 78th Cong., 1st sess.	105,916,492,320.82	363,795,494.00
		Total, 78th Cong., 2d sess.	55,875,422,411.53	3,552,900,000.00
		Total, 79th Cong., 1st sess.: Approved.		
		In pending appropriations	\$22,628,291,618.91	
		Permanent appropriations and net transfers from other than war activities appropriations <sup>4</sup>	48,507,476,861.22	1,395,163,700.00
		Liquidation of 1940 and prior contract authorizations	283,528,588.43	
		Total, war activities program, exclusive of Reconstruction Finance Corporation	—467,872,846.00	
		DETAIL OF 79th CONG., 1ST SESS.	408,241,702,601.94	8,294,859,194.00
Mar. 31, 1945	24	War Department Civil Appropriation Act, 1946.		
Apr. 30, 1945	40	First Deficiency Appropriation Act, 1945.	2,697,140.00	
May 3, 1945	49	Independent Offices Appropriation Act, 1946.	2,015,384,142.91	
May 5, 1945	52	Department of Agriculture Appropriation Act, 1946.	57,288,300.00	
May 26, 1945	61	Department of State, Justice, and Commerce Appropriation Act, 1946.	14,980,472.00	
May 29, 1945	62	Naval Appropriation Act, 1946.	34,593,500.00	
May 29, 1945	68	Joint Resolution (U. S. Maritime Commission).	23,601,136,064.00	1,399,005,413.00
June 12, 1945	83	Joint Resolution (Labor Department—maternity and infant care)	—3,100,000,000.00	(7)
		IN PENDING APPROPRIATIONS <sup>4</sup>	2,200,000.00	
		Interior Department Appropriation bill, 1946.		
		Labor—Federal Security Appropriation bill, 1946.	10,625,000.00	
		Military Appropriation bill, 1946.	187,011,554.00	
		Joint Resolution (reducing certain appropriations)	21,496,902,030.00	
		Second Deficiency Appropriation bill, 1945.	—82,054,000.00	
		National War Agencies Appropriation bill, 1946.	3,527,335,898.31	
		Total approved and pending, 79th Cong., 1st sess.	729,364,850.00	—3,844,713.00
			48,507,476,861.22	1,395,163,700.00

<sup>1</sup> Consists of appropriations and net contract authorizations available on and after July 1, 1940. Excludes (1) authorizations of the Reconstruction Finance Corporation and its affiliates for war purposes, and (2) unexpended balances of appropriations on June 30, 1940 (except immediately available funds from fiscal year 1941 appropriations), available for expenditure in the fiscal year 1941.

<sup>2</sup> For details of appropriations for the 76th, 77th, and 78th Cong. (through June 30, 1944) see Table 18, p. 596 of the Secretary's annual report for 1944. The 78th Cong., 2d sess., is revised to reflect amounts revealed by Congress during this session amounting to \$37,757,572. The First Supplemental Appropriation Act, 1945, approved Dec. 22, 1944, amounted to \$410,291,029.00.

<sup>3</sup> Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose. Unappropriated contract authorizations for the 78th Cong., 2d sess., differ from amounts reflected in the daily Treasury statement for July 15, 1945, in order to reflect the latest revised reports of the U. S. Maritime Commission, as of June 30, 1945.

<sup>4</sup> The amounts shown are those finally approved and therefore will not necessarily agree with the amounts of appropriation bills shown in the daily Treasury statement for July 15, 1945.

<sup>5</sup> Includes actual transfer of balances of the Bureau of Marine Inspection and Navigation from the Department of Commerce to Coast Guard, Navy, in the amount of \$1,153,802 in accordance with Executive Order 9083, dated Feb. 28, 1942. Also includes \$6,017,975.32 received as war contributions under authority of the Second War Powers Act and deposits of advance payments made by foreign governments to the defense aid special fund for the procurement of defense articles amounting to \$102,813,053.77.

<sup>6</sup> Represents amount of prior appropriations repealed by Congress. The cancellation of contractual authority has been applied to prior acts.

<sup>7</sup> See note 6.





Liquidation of 1940 and prior contract authorizations	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468	—468
Total, war activities program, exclusive of Reconstruction Finance Corporation and its affiliates	20 212, 189	92, 821	21 53, 852	23, 500	33 382, 363	3, 357	3, 543	1, 399	8, 299	13 25, 879	—4 416, 537	20 104, 421	87, 039	90, 029	281, 489

NOTE.—Figures are rounded and will not necessarily add to totals.

- Excess of credit (deduct).

Excess of Credit (Advance).  
 Commitments, receipts, and disbursements of the Reconstruction Finance Corporation and its affiliates are shown in table 19, p. 510.

on and its affiliates are shown in table 19, p. 510.

<sup>2</sup> In many instances funds appropriated during any fiscal year are also available for use in the succeeding fiscal year. Immediately available funds are shown in the fiscal year for which the appropriation was made. This statement excludes unexpended balances of appropriations on June 30, 1940 (except immediately available funds in fiscal year 1941 appropriations), which were available for expenditure in the fiscal year 1941. Allocations from appropriations made to the President (lend-lease and emergency funds for the President) are shown under the departments or agencies to which allocated.

Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose. Unappropriated contract authorizations differ from amounts reflected in the daily Treasury statement for July 16, 1945, in order to reflect the latest revised reports of the U. S. Maritime Commission as of June 30, 1945.

<sup>4</sup> The amounts shown are those finally approved by the U. S. Maritime Commission as of June 30, 1945. The amounts shown are those finally approved, and therefore will not necessarily agree with the amounts of appropriation bills shown in the daily Treasury statement of July 16, 1945. Credit figures represent existing appropriations to be repealed in pending bills.

5 Excludes \$44,593,500 transferred in the fiscal year 1941 to the Office of the

Excludes \$44,393,000 transferred in the fiscal year 1941 to the Office of the National Housing Agency authorized in act of Oct. 14, 1940. See note 9.

<sup>a</sup> Excludes expenditures for Selective Service (administrative expenses) reflected separately below.

<sup>7</sup> Unappropriated contract authorizations for the naval expansion program are as rarely below.

Public Law 441	\$2,171,000,000
Public Law 204 (estimated by Navy Department)	340,795,494

Public Law 375	55,000,000
Public Law 375 (estimated by Navy Department)	1,825,000,000

\* Deduct. Reflects reductions during the fiscal years 1944 and 1945 of allocations made in previous years.

<sup>9</sup> Includes an allotment of \$44,593,500 made from the President's emergency fund in the previous years.

regular funds of the Office of Administrator, National Housing Agency. All allotments have been made to the following agencies: Agriculture Department, \$123,000,000; Federal Security Agency, \$648,689; Foreign Economic Administration, \$55,565,000; Treasury Department, \$226,000,000; and War Shipping Administration, \$90,500,000.

\$20,500,000.  
 " Includes \$600,000,000 representing the net amount of contractual authority that the President may authorize in accordance with Public Law 282, approved Oct. 28, 1941.

<sup>12</sup> The Office for Emergency Management includes adjustments for the fiscal years 1942 and 1943 to cover expenditures for the Office of Government Reports formerly classified under the caption "Departmental," and classified herein as war activities. Also included under the caption "National Youth Administration, Training Within Industry," includes expenditures for the National Youth Administration, Training Within Industry,

Apprentice Training Service, and the United States Employment Service, which were transferred by Executive Order 9247, dated Sept. 17, 1942, from the Federal Security Agency to the War Manpower Commission in the Office for Emergency Management. In addition, adjustment is made for the fiscal year 1943 to cover expenditures of the Council of National Defense formerly classified under the caption "War activities: Other:

Other,"  
 13 Expenditures relating to "Emergency funds for the President" and "Lend-lease funds" for the fiscal years 1941 and 1942 are reflected under "Other: Executive Office: Other,"

<sup>14</sup> Deduct. Reflects allocations to various agencies in the fiscal years 1944 and 1945 of amounts appropriated in previous years.

<sup>13</sup> Includes unallocated balances of the President's emergency funds amounting to \$63,941,052.94 and lend-lease balances amounting to \$320,087,856.42. In addition, the Second Deficiency Appropriation Act, 1945, approved July 5, 1945, includes \$2,475,000,000 for lend-lease.

<sup>17</sup> Includes expenditures of the Office for Emergency Management from "Emergency funds for the President" and "Emergency funds."

<sup>18</sup> Deduct. Reduced by amounts repealed by Congress on June 26, 1944 (Public Law 359).

<sup>10</sup> Includes expenditures of the defense aid special fund through the fiscal year 1943; beginning with the fiscal year 1944 expenditures are reflected within the respective departments.

<sup>20</sup> For details by fiscal years, see the Secretary's annual report for 1944, p. 600.

<sup>22</sup> Appropriations have been reduced by \$3,137,757,572, the amounts repealed by Congressional Canal until July 1945. See note 18.

Navy Department.....	\$7 500 000
	\$ 100 000 000

U. S. Maritime Commission.....	3, 100, 000, 000
Panama Canal.....	30, 257, 572

Total approved	3,137,757,572
<p>U.S. Department of the Interior Bureau of Land Management Washington, D.C. 20240</p>	

<sup>23</sup> Pending appropriations are reduced by amounts repealed by Congress in H. J. Res. 202, as follows:

22,000,000	-----	Agriculture Department
5,800,000	-----	Federal Security Agency
6,400,000	-----	Federal Works Agency

Federal Works Agency	6,400,000
Executive Office: Office for Emergency Management	33,465,000

Office for Emergency Management	20,157,000
Other	6,485,000
Justice Department	

Justice Department.....	9, 206, 000
All other.....	7, 747, 000

Total pending.....	82,054,000
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TABLE 18.—Expenditures for war activities, by departments and agencies, fiscal years 1941 through 1945 and monthly from July 1940 through June 1945<sup>1</sup>

[In millions of dollars: General and special accounts. On basis of daily Treasury statements, see p. 437.]

Period	Total	War Department	Navy Department	Miscellaneous war activities								United States Maritime Commission <sup>2</sup>	War Shipping Administration	Aid to China	United Nations Relief and Rehabilitation Administration	Other <sup>3</sup>
				Total miscellaneous war activities	Agriculture Department	Federal Security Agency	Federal Works Agency	National Housing Agency	Selective Service (administrative)	Treasury Department	United States Maritime Commission <sup>2</sup>					
By fiscal years:																
1941.....	6,301	3,678	2,313	310	3	62		45	18	24	51		132	200		108
1942.....	26,011	14,070	8,580	3,362	696	111	62	297	33	519	276		1,105	40		382
1943.....	72,109	42,265	20,885	8,955	2,011	153	215	608	52	1,201	2,776		1,922			795
1944.....	87,039	49,242	26,538	11,259	2,143	133	228	539	59	1,432	3,812		1,922			991
1945.....	90,029	50,337	30,047	9,645	1,198	122	185	70	63	1,462	3,227		2,042	140	114	1,022
By months:																
1940—July.....	199	79	102	17		3				1	8					5
August.....	223	91	111	20		2				2	11					5
September.....	241	82	140	19		1				5	6					7
October.....	311	137	154	21		2			(*)	1	10					8
November.....	393	206	173	15		3				(*)	3					8
December.....	495	290	184	21		10		( )	3	2	—3					9
1941—January.....	589	350	223	16		12		( )	2	2	—9					13
February.....	610	408	181	20		7			3	1	3					10
March.....	769	468	196	25		6		1	2	1	4					10
April.....	782	522	233	28	(*)	6		3	2	1	8					11
May.....	857	465	352	39		6		8	2	3	8					11
June.....	832	500	263	70	1	3		33	2	4	14					13
July.....	969	516	362	91	5	3		21	2	7	41					12
August.....	1,131	598	441	93	19	27		26	2	9	—6					15
September.....	1,330	746	424	100	37	13	(*)	30	2	16	46					16
October.....	1,537	834	497	105	66	8	(*)	39	2	24	44					22
November.....	1,448	493	411	185	41	6	1	29	2	29	57					20
December.....	1,850	545	493	233	43	7	4	29	2	52	69					28
1942—January.....	2,104	1,072	575	247	63	7	4	27	2	35	86					24
February.....	2,581	1,282	575	247	63	7	4	27	2	35	86					26
March.....	2,809	1,369	581	258	53	9	10	19	3	42	95		2			26
April.....	3,594	1,432	946	430	105	8	10	18	3	63	121		16			86
May.....	3,238	1,101	854	543	65	7	14	22	3	63	98		200			29
June.....	3,660	1,850	1,307	402	80	8	10	17	4	83	130		33			37
July.....	3,829	2,007	1,309	513	119	8	8	21	4	99	150		39			66

1942-July-----	4,498	2,851	1,103	534	90	28	12	26	4	95	184	54	-----	-----	-----	42
August-----	4,884	2,875	1,376	633	61	13	17	42	4	110	211	99	-----	-----	-----	76
September-----	5,384	3,519	1,294	572	94	4	13	45	5	102	131	113	-----	-----	-----	56
October-----	5,481	3,417	1,596	467	51	21	17	48	3	110	17	46	-----	-----	-----	141
November-----	6,042	3,538	1,478	1,025	433	16	15	50	2	81	274	85	-----	-----	-----	60
December-----	5,825	3,770	1,380	676	1,025	16	19	50	2	83	275	127	-----	-----	-----	68
1943-January-----	5,947	4,053	1,274	620	18	17	17	44	5	95	331	77	-----	-----	-----	88
February-----	5,770	3,239	2,002	528	12	12	12	39	5	79	223	68	-----	-----	-----	18
March-----	6,744	3,985	2,053	705	17	17	17	55	5	103	285	103	20	-----	-----	59
April-----	6,974	3,727	2,102	514	17	15	15	61	6	120	248	69	20	-----	-----	98
May-----	7,092	3,857	2,251	1,145	382	21	26	77	5	106	243	85	-----	-----	-----	92
June-----	7,469	3,424	2,980	1,005	318	4	33	70	5	117	315	116	-----	-----	-----	51
July-----	6,432	3,808	1,898	726	12	8	24	72	5	95	319	105	-----	-----	-----	86
August-----	7,232	4,219	2,037	976	180	16	27	68	5	118	361	119	-----	-----	-----	85
September-----	6,932	4,036	1,909	1,007	239	11	24	90	5	114	366	130	-----	-----	-----	81
October-----	6,989	4,142	1,955	892	176	24	25	54	5	100	294	148	-----	-----	-----	69
November-----	7,541	4,173	2,134	1,235	332	14	19	44	5	111	402	216	-----	-----	-----	66
December-----	6,718	3,841	2,052	827	45	6	21	39	5	108	356	164	-----	-----	-----	91
1944-January-----	7,138	4,170	2,082	886	140	9	18	42	5	125	308	153	-----	-----	-----	82
February-----	7,518	3,792	2,757	969	184	16	17	38	5	127	331	182	-----	-----	-----	87
March-----	7,726	4,461	2,281	983	188	8	16	33	5	97	386	165	-----	-----	-----	71
April-----	7,346	4,160	2,262	924	224	8	11	35	5	130	273	149	-----	-----	-----	82
May-----	7,879	4,334	2,536	1,010	205	7	7	31	6	118	364	191	-----	-----	-----	90
June-----	7,567	4,106	2,636	825	219	5	21	28	7	188	51	201	-----	-----	-----	81
July-----	7,201	3,928	2,591	682	56	6	15	22	8	124	130	194	-----	-----	-----	106
August-----	7,571	4,087	2,502	982	158	26	21	17	6	152	372	134	-----	-----	-----	122
September-----	6,998	3,905	2,295	798	144	10	13	14	6	102	335	102	-----	-----	-----	97
October-----	7,479	4,091	2,648	740	-3	17	19	1	6	110	326	145	-----	-----	-----	71
November-----	7,401	3,978	2,577	845	161	9	17	8	4	118	298	152	-----	-----	-----	99
December-----	7,503	4,194	2,439	870	112	8	15	14	4	124	312	183	-----	-----	-----	94
1945-January-----	7,553	4,294	2,539	718	102	14	17	6	4	137	184	180	-----	-----	-----	72
February-----	6,948	3,866	2,392	600	147	5	12	-24	5	94	228	166	-----	-----	-----	97
March-----	8,246	4,634	2,759	893	85	9	-14	8	4	136	259	189	-----	-----	-----	56
April-----	7,139	4,116	2,292	731	68	11	11	8	5	104	246	168	-----	-----	-----	91
May-----	8,156	4,530	2,724	901	87	5	19	1	5	159	259	209	-----	-----	-----	84
June-----	7,837	4,664	2,289	885	80	2	12	11	5	103	277	220	60	-----	-----	68
July-----	7,567	4,106	2,636	825	219	5	21	28	7	188	51	201	60	-----	-----	71

Note.—Figures are rounded and will not necessarily add to totals.

\* Less than \$500,000.

1 This table does not include war activities expenditures paid from corporate funds.

2 Includes emergency ship construction, beginning March 1941.

3 Includes such war expenditures as those of Commerce, Justice, Interior, Labor, and State Departments; Civil Service Commission; Executive Office of the President (including Office for Emergency Management); Panama Canal; capital stock of Smaller War Plants Corporation. Includes Defense Aid special fund through the fiscal year 1943; thereafter such expenditures are reflected within the respective departments.

TABLE 19.—*Commitments, credits, and charges of the Reconstruction Finance Corporation and its affiliates under the war activities program, July 1, 1940, through June 30, 1945*

[In millions of dollars, compiled from latest reports received by the Treasury]

	Commitments				Charges			Credits (repayments, sales, rentals, etc.)		
	Commitments		Cancellations		Fiscal years 1941-1944	Fiscal year 1945	Total	Fiscal years 1941-1944	Fiscal year 1945 <sup>1</sup>	Total <sup>1</sup>
	Fiscal years 1941-1944	Fiscal year 1945	Total	Fiscal years 1941-1944						
Defense Plant Corporation <sup>2</sup> .....	10,773	798	11,570	2,651	7,094	921	8,015	2,200	701	2,901
Defense Supplies Corporation <sup>2</sup> .....	8,147	3,173	11,319	684	3,645	3,310	6,955	2,024	3,207	5,231
Metals Reserve Company <sup>2</sup> .....	4,341	1,306	5,648	574	1,757	603	2,359	1,149	483	1,632
Rubber Development Corporation.....	282	276	557	3	158	111	269	82	120	202
Rubber Reserve Company <sup>2</sup> .....	2,562	695	3,258	538	1,042	1,201	2,243	822	512	1,335
U. S. Commercial Company.....	1,483	1,351	2,835	69	420	832	1,252	217	552	769
The RFC Mortgage Company.....	126	19	145	3	82	31	113	13	66	79
Reconstruction Finance Corporation direct:										
Loan to Great Britain and Northern Ireland.....	425		425		390		390	83	35	118
Loan—Defense Homes Corporation.....	67	—1	66	1	63	2	65	2	6	8
Stock—Petroleum Reserves Corporation.....	31		31		(*)		(*)			
Stock—War Damage Corporation.....	100		100		1		1			
Automobile financing loans.....	132		132							
All other loans.....	1,879	108	1,987	598	788	139	947	416	222	638
Total.....	30,347	7,725	38,072	4,654	15,440	7,171	22,611	7,009	5,905	12,913
Less intercompany eliminations.....			3,412				3,874			3,105
Total.....	30,347	7,725	34,660	4,654	15,440	7,171	20,737	7,009	5,905	11,809

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Less than \$500,000.<sup>2</sup> Includes profits on sales for the whole period, distribution by years not being available.<sup>3</sup> Public Law 169, approved June 30, 1945, dissolved these corporations and transferred their functions, etc., to the Reconstruction Finance Corporation, effective July 1, 1945.<sup>4</sup> Distribution by fiscal years not available.



## PUBLIC DEBT

## Public debt outstanding

TABLE 20.—Description of the public debt issues outstanding June 30, 1945

(On basis of Public Debt accounts, see p. 437)

Title of loan and rate of interest	Au- thor- izing act	Tax ex- emp- tations	Date of loan	When redeemable or payable	Interest payment date	Average price re- ceived	Amount issued	Amount retired	Amount out- standing
<b>INTEREST-BEARING DEBT</b>									
<b>Public Issues</b>									
Bonds:									
3% Panama Canal loan of 1961.	(1)	(a)	June 1, 1911	On June 1, 1961	Mar., June, Sept., and Dec. 1, and Oct. 1.	\$102.582	\$50,000,000.00	\$200,000.00	\$49,800,000.00
3% Conversion bonds of 1946.	(2)	(a)	Jan. 1, 1916	On Jan. 1, 1946	do.	Exchange at par.	15,761,000.00	-----	15,761,000.00
3% Conversion bonds of 1947.	(2)	(a)	Jan. 1, 1917	On Jan. 1, 1947	do.	do.	13,133,500.00	-----	13,133,500.00
2½% Postal savings bonds (29th to 48th series).	(3)	(a)	July 1, 1925, Jan. 1-July 1, 1926-35.	On and after 1 year; 20 years from issue.	Jan. and July 1	Par	117,133,000.00	2,820.00	117,130,240.00
Total postal savings bonds, etc.									
Treasury bonds:									
4¼% of 1947-52.	(4)	(b)	Oct. 16, 1922	On and after Oct. 15, 1947; on Oct. 15, 1952.	Apr. and Oct. 15.	{do. Exchange at par.	511,864,000.00 252,098,300.00	-----	195,824,740.00
3¾% of 1946-56.	(4)	(b)	Mar. 15, 1926	On and after Mar. 15, 1946; on Mar. 15, 1956.	Mar. and Sept. 15.	\$100.50	763,962,300.00 494,898,100.00	5,016,500.00 5,818,000.00	758,945,800.00 489,080,100.00
3¼% of 1946-49.	(4)	(b)	June 15, 1931	On and after June 15, 1946; on June 15, 1949.	June and Dec. 15.	Par	821,406,000.00	2,779,000.00	818,627,000.00
3% of 1951-55.	(4)	(b)	Sept. 15, 1931	On and after Sept. 15, 1951; on Sept. 15, 1955.	Mar. and Sept. 15.	do.	800,424,000.00	44,993,000.00	755,431,000.00
3% of 1946-48.	(4)	(b)	June 15, 1934	On and after June 15, 1946; on June 15, 1948.	June and Dec. 15.	{do. Exchange at par. \$103.125 \$103.5625.	507,477,950.00 317,030,100.00 98,708,000.00 112,669,000.00	-----	1,035,873,400.00
							1,035,885,050.00	11,650.00	1,035,873,400.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Public Issues—Continued</b>									
Bonds—Continued.									
Treasury bonds—Continued.									
3½% of 1949-52-----	(4)	(b)	Dec. 15, 1934-----	On and after Dec. 15, 1949; on Dec. 15, 1952.	June and Dec. 15.	Par-----	\$491,377,100.00	\$2,000.00	\$491,375,100.00
2½% of 1955-60-----	(4)	(b)	Mar. 15, 1935-----	On and after Mar. 15, 1955; on Mar. 15, 1960.	Mar. and Sept. 15.	{Exchange at par and \$100.50. \$101.59375----- \$101.56250----- \$100.78125-----}	2,304,429,200.00 101,971,000.00 106,641,000.00 98,215,000.00		
2¼% of 1945-47-----	(4)	(b)	Sept. 16, 1935-----	Called for redemption on Sept. 15, 1945.	do-----	{Par----- Exchange at par-----}	2,611,156,200.00 645,736,100.00 568,717,800.00	64,050.00	2,611,092,150.00
2¼% of 1948-51-----	(4)	(b)	Mar. 16, 1936-----	On and after Mar. 15, 1948; on Mar. 15, 1951.	do-----	{Par----- Exchange at par-----}	1,214,453,900.00 727,033,950.00 496,462,900.00	24,950.00	1,214,428,950.00
2¼% of 1951-54-----	(4)	(b)	June 15, 1936-----	On and after June 15, 1951; on June 15, 1954.	June and Dec. 15.	{Par----- Exchange at par-----}	1,223,496,850.00 1,290,756,650.00 335,931,500.00	1,000.00	1,223,495,850.00
2¼% of 1956-59-----	(4)	(b)	Sept. 15, 1936-----	On and after Sept. 15, 1956; on Sept. 15, 1959.	Mar. and Sept. 15.	Par-----	1,626,688,150.00 981,848,050.00	1,000.00	1,626,687,150.00
2½% of 1949-53-----	(4)	(b)	Dec. 15, 1936-----	On and after Dec. 15, 1949; on Dec. 15, 1953.	June and Dec. 15.	{do----- Exchange at par-----}	1,006,641,950.00 779,862,100.00	22,000.00	981,326,050.00
2½% of 1945-----	(4)	(b)	Dec. 15, 1937-----	On Dec. 15, 1945.	do-----	{Par----- Exchange at par-----}	1,786,504,050.00 293,513,250.00 247,330,300.00	377,100.00	1,786,126,950.00
							540,843,550.00	-----	540,843,550.00

2½% o 1948-----	(4)	(b)	Mar. 15, 1938-----	On Sept. 15, 1948-----	Mar. and Sept. 15.	Par-----	450,978,400.00	-----	450,978,400.00
2¾% of 1938-63-----	(4)	(b)	June 15, 1938-----	On and after June 15, 1938; on June 15, 1963.	June and Dec. 15.	{do. Exchange at par.	571,736,200.00 347,044,400.00	-----	-----
2½% of 1950-52-----	(4)	(b)	Sept. 15, 1938-----	On and after Sept. 15, 1950; on Sept. 15, 1962.	Mar. and Sept. 15.	{Par. Exchange at par. Exchange at \$102.50.	918,780,600.00 461,690,100.00 404,707,100.00 319,444,500.00	-----	918,780,600.00
2¾% of 1960-65-----	(4)	(b)	Dec. 15, 1938-----	On and after Dec. 15, 1960; on Dec. 15, 1965.	June and Dec. 15.	{Par. Exchange at par. Exchange at \$102.375.	1,185,841,700.00 402,892,800.00 188,196,700.00 894,285,600.00	500.00	1,185,841,200.00
2% of 1947-----	(4)	(b)	Dec. 15, 1938-----	On Dec. 15, 1947-----	do-----	Exchange at par-----	701,074,900.00	2,000.00	701,072,900.00
2% of 1948-50 (dated Dec. 8, 1939).	(4)	(b)	Dec. 8, 1939-----	On and after Dec. 15, 1948; on Dec. 15, 1950.	do-----	Par-----	571,431,150.00	-----	571,431,150.00
2¼% of 1951-53-----	(4)	(b)	Dec. 22, 1939-----	On and after Dec. 15, 1951; on Dec. 15, 1953.	do-----	{do. Exchange at par.	100,000,000.00 1,018,051,100.00	-----	-----
2¼% of 1954-56-----	(4)	(b)	July 22, 1940-----	On and after June 15, 1954; on June 15, 1956.	do-----	Par-----	1,118,051,100.00	-----	1,118,051,100.00
2% of 1953-55-----	(4)	(b)	Oct. 7, 1940-----	On and after June 15, 1953; on June 15, 1955.	do-----	Exchange at par-----	680,692,350.00	-----	680,692,350.00
2% of 1948-50 (dated Mar. 15, 1941).	(4)	(c)	Mar. 15, 1941-----	On and after Mar. 15, 1948; on Mar. 15, 1950.	Mar. and Sept. 15.	do-----	724,677,900.00	-----	724,677,900.00
2½% of 1952-54-----	(4)	(c)	Mar. 31, 1941-----	On and after Mar. 15, 1952; on Mar. 15, 1954.	do-----	{Par. Exchange at par.	1,115,368,400.00 576,145,150.00 447,423,200.00	500.00	1,115,367,900.00
2½% of 1956-58-----	(4)	(c)	June 2, 1941-----	On and after Mar. 15, 1956; on Mar. 15, 1958.	do-----	{Par. Exchange at par.	1,023,568,350.00 601,750,800.00 786,996,850.00	-----	1,023,568,350.00
							1,448,747,650.00	-----	1,448,747,650.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Author- izing act	Tax ex- emp- tions	Date of loan	When redeemable or payable	Interest payment date	Average price re- ceived	Amount issued	Amount retired	Amount out- standing
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Public Issues—Continued</b>									
Bonds—Continued.									
Treasury bonds—Con. 2½% of 1967-72 (dated Oct. 20, 1941).	(4)	(c)	Oct. 20, 1941.....	On and after Sept. 15, 1967; on Sept. 15, 1972.	} do..... }	{ Par..... { Exchange at par..	\$2,527,073,950.00 188,971,200.00		
2% of 1951-55.....	(4)	(c)	Dec. 15, 1941.....	On and after Dec. 15, 1951; on Dec. 15, 1955.	June and Dec. 15	Par.....	2,716,045,150.00	\$1,000.00	\$2,716,044,150.00
2% of 1949-51 (dated Jan. 15, 1942).	(4)	(c)	Jan. 15, 1942.....	On and after June 15, 1949; on June 15, 1951.	} do..... }	{ do..... { Exchange at par..	532,687,950.00 607,631,200.00 406,387,700.00	22,274,000.00	510,413,950.00
2¼% of 1952-55.....	(4)	(c)	Feb. 25, 1942.....	On and after June 15, 1952; on June 15, 1955.	do.....	Par.....	1,014,018,900.00		1,014,018,900.00
2½% of 1962-67.....	(4)	(c)	May 5, 1942.....	On and after June 15, 1962; ¼ on June 15, 1967.	do.....	do.....	1,510,795,300.00	10,014,000.00	1,500,781,300.00
2% of 1949-51 (dated May 15, 1942).	(4)	(c)	May 15, 1942.....	On and after Sept. 15, 1949; on Sept. 15, 1951.	Mar. and Sept. 15.	do.....	2,118,164,500.00	16,000.00	2,118,148,500.00
2% of 1949-51 (dated July 15, 1942).	(4)	(c)	July 15, 1942.....	On and after Dec. 15, 1949; on Dec. 15, 1951.	June and Dec. 15.	do.....	1,292,444,100.00		1,292,444,100.00
2% of 1950-52 (dated Oct. 19, 1942).	(4)	(c)	Oct. 19, 1942.....	On and after Mar. 15, 1950; on Mar. 15, 1952.	Mar. and Sept. 15.	do.....	2,097,617,600.00		2,097,617,600.00
1¾% of 1948.....	(4)	(c)	Dec. 1, 1942.....	On June 15, 1948.....	June and Dec. 15.	do.....	3,061,856,000.00		3,061,856,000.00
2½% of 1963-68.....	(4)	(c)	do.....	On and after Dec. 15, 1963; ¼ on Dec. 15, 1968.	} do..... }	do.....	2,830,914,000.00	50,000.00	2,830,864,000.00



2% of 1950-52 (dated Apr. 15, 1943).	(4)	(4)	Apr. 15, 1943	On and after Sept. 15, 1950; on Sept. 15, 1952.	Mar. and Sept. 15.	do.	4,939,261,000.00	4,939,261,000.00
2½% of 1964-69 (dated Apr. 15, 1943).	(4)	(4)	do.	On and after June 15, 1964; <sup>14</sup> on June 15, 1969.	June and Dec. 15.	do.	526,000.00	3,761,904,000.00
2% of 1951-53.	(4)	(4)	Sept. 15, 1943	On and after Sept. 15, 1951; on Sept. 15, 1953.	Mar. and Sept. 15.	{ do. { Exchange at par.	6,884,359,000.00 1,101,963,500.00	7,986,262,500.00
2½% of 1964-69 (dated Sept. 15, 1943).	(4)	(4)	do.	On and after Dec. 15, 1964; <sup>14</sup> on Dec. 15, 1969.	June and Dec. 15.	{ Par. { Exchange at par.	3,778,754,000.00 59,444,000.00	45,000.00
2½% of 1956-59.	(4)	(4)	Feb. 1, 1944	On and after Sept. 15, 1956; <sup>14</sup> on Sept. 15, 1959.	Mar. and Sept. 15.	{ Par. { Exchange at par.	3,828,198,000.00	3,828,198,000.00
2½% of 1965-70.	(4)	(4)	do.	On and after Mar. 15, 1965; <sup>14</sup> on Mar. 15, 1970.	do.	{ Par. { Exchange at par.	3,727,687,000.00 94,871,500.00	3,822,558,500.00
2% of 1952-54 (dated June 26, 1944).	(4)	(4)	June 26, 1944	On and after June 15, 1952; on June 15, 1954.	June and Dec. 15	Par.	5,120,861,500.00 76,533,000.00	5,197,394,500.00
2% of 1952-54 (dated Dec. 1, 1944).	(4)	(4)	Dec. 1, 1944	On and after Dec. 15, 1952; on Dec. 15, 1954.	do.	{ Par. { Exchange at par.	5,825,482,000.00	5,825,482,000.00
2½% of 1966-71.	(4)	(4)	do.	On and after Mar. 15, 1966; <sup>14</sup> on Mar. 15, 1971.	Mar. and Sept. 15.	{ Par. { Exchange at par.	7,922,077,000.00 739,900,500.00	8,661,977,500.00
1½% of 1950.	(4)	(4)	June 1, 1945	On Dec. 15, 1950.	June and Dec. 15	Par.	3,447,511,500.00 33,353,500.00	3,480,865,000.00
2½% of 1959-62.	(4)	(4)	do.	On and after June 15, 1959; <sup>14</sup> on June 15, 1962.	do.	do.	2,365,184,500.00 4,509,507,000.00	2,365,184,500.00 4,509,507,000.00
2½% of 1967-72 (dated June 1, 1945).	(4)	(4)	do.	On and after June 15, 1967; <sup>14</sup> on June 15, 1972.	do.	do.	7,196,846,500.00	7,196,846,500.00
Total Treasury bonds.							106,540,213,700.00	92,047,750.00
Footnotes at end of table.								106,449,165,950.00

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Public Issues—Continued</b>									
Bonds—Continued.									
United States savings bonds:			First day of each month:						
Series and approximate yield to maturity (%):									
A-1935-2.90-----	(†)	(*)	July to Dec. 1935---	After 60 days from issue date, on demand at option of owner; 10 years from issue date.	Sold at a discount; payable at par on maturity.	\$75.00-----	\$132,324,187.25	\$36,821,902.75	\$95,502,284.50
B-1936-2.90-----	(†)	(*)	Jan. to Dec. 1936---	do.	do.	\$75.00-----	445,826,007.34	118,900,352.84	326,925,654.50
C-1937-2.90-----	(†)	(*)	Jan. to Dec. 1937---	do.	do.	\$75.00-----	550,580,976.50	135,463,745.50	415,117,231.00
D-1938-2.90-----	(†)	(*)	Jan. to Dec. 1938---	do.	do.	\$75.00-----	617,073,866.25	127,512,625.50	489,561,240.75
D-1939-2.90-----	(†)	(*)	Jan. to Dec. 1939---	do.	do.	\$75.00-----	967,582,564.00	165,469,511.75	802,113,052.25
D-1940-2.90-----	(†)	(*)	Jan. to Dec. 1940---	do.	do.	\$75.00-----	1,134,122,965.00	164,632,464.00	969,490,501.00
D-1941-2.90-----	(†)	(*)	Jan. and Feb. 1941---	do.	do.	\$75.00-----	369,440,571.50	38,665,735.75	330,774,835.75
D-1941-2.90-----	(†)	(*)	Mar. and Apr. 1941---	do.	do.	\$75.00-----	128,471,923.50	17,601,473.50	110,870,454.00
Total Series A to D-----							4,365,423,067.34	804,497,813.59	3,560,935,253.75
E-1941-2.90-----	(†)	(*)	May to Dec. 1941---	do.	do.	\$75.00-----	1,405,105,674.42	183,877,904.67	1,221,227,769.75
E-1942-2.90-----	(†)	(*)	Jan. to Dec. 1942---	do.	do.	\$75.00-----	6,382,409,762.02	1,322,906,080.05	5,059,503,711.97
E-1943-2.90-----	(†)	(*)	Jan. to Dec. 1943---	do.	do.	\$75.00-----	10,543,850,939.55	2,483,001,829.20	8,060,849,110.35
E-1944-2.90-----	(†)	(*)	Jan. to Dec. 1944---	do.	do.	\$75.00-----	12,405,553,972.44	2,362,309,804.47	10,043,244,167.97
E-1945-2.90-----	(†)	(*)	Jan. to June 1945---	do.	do.	\$75.00-----	4,917,368,146.75	329,793,318.75	4,587,574,828.00
Total Series E-----							35,654,288,495.18	6,681,888,907.14	28,972,399,588.04
F-1941-2.53-----	(†)	(*)	May to Dec. 1941---	After 6 months from issue date, on demand at option of owner on 1 month's notice; 12 years from issue date.	do.	\$74.00-----	240,686,267.29	24,820,054.64	215,866,212.65
F-1942-2.53-----	(†)	(*)	Jan. to Dec. 1942---	do.	do.	\$74.00-----	664,046,212.51	66,808,656.68	597,237,555.83
F-1943-2.53-----	(†)	(*)	Jan. to Dec. 1943---	do.	do.	\$74.00-----	736,988,928.12	56,127,550.05	680,861,378.07
F-1944-2.53-----	(†)	(*)	Jan. to Dec. 1944---	do.	do.	\$74.00-----	777,225,898.20	19,043,412.85	758,182,395.35
F-1945-2.53-----	(†)	(*)	Jan. to June 1945---	do.	do.	\$74.00-----	352,458,473.50	136,918.50	352,321,555.00
Total Series F-----							2,771,405,689.62	166,936,592.72	2,604,469,096.90

G-1941-2.50	(4)	May to Dec. 1941.	do.	Semiannually	Par	84,478,400.00	1,192,763,100.00
G-1942-2.50	(4)	Jan. to Dec. 1942	do.	do.	do.	2,493,027,400.00	2,338,358,800.00
G-1943-2.50	(4)	Jan. to Dec. 1943	do.	do.	do.	2,698,065,700.00	2,471,290,500.00
G-1944-2.50	(4)	Jan. to Dec. 1944	do.	do.	do.	2,893,894,900.00	2,839,111,700.00
G-1945-2.50	(4)	Jan. to June 1945.	do.	do.	do.	1,457,771,700.00	1,456,948,700.00
Total series G						10,730,001,200.00	421,528,400.00
Unclassified sales and redemptions.						145,355,076.21	53,173,709.34
Total United States savings bonds.						53,656,473,528.35	8,128,015,422.79
Depository bonds:							
2% First Series	(4)	Various dates from June 28, 1941.	Any time upon 30 to 60 days' notice, on demand at option of owner; 12 years from issue date.	June and Dec. 1.	do.	496,082,750.00	411,155,000.00
2% Second Series	(4)	Various dates from Sept 10, 1943.	do.	Jan. and July 1.	do.	109,673,500.00	16,294,500.00
Total depository bonds							93,379,000.00
Total bonds							504,534,000.00
Treasury notes:							152,676,982,795.56
Regular series—							
1% A-1946	(4)	Nov. 1, 1941	On Mar. 15, 1946	Mar. and Sept. 15	do.	1,290,640,500.00	1,290,640,500.00
1½% B-1946	(4)	June 5, 1942	On Dec. 15, 1946	June and Dec. 15	do.	3,260,777,000.00	3,260,777,000.00
0.90% C-1946	(4)	Dec. 1, 1944	On Jan. 1, 1946	July and Jan. 1	Exchange at par.	3,415,821,000.00	3,415,821,000.00
0.90% D-1946	(4)	June 1, 1945	On July 1, 1946	Jan. and July 1	do.	4,909,267,000.00	4,909,267,000.00
1½% A-1947	(4)	July 12, 1943	On Sept. 15, 1947	Mar. and Sept. 15	Par	2,707,289,000.00	2,707,289,000.00
1¼% B-1947	(4)	June 26, 1944	On Mar. 15, 1947	do.	do.	1,948,654,000.00	1,948,654,000.00
1¼% C-1947	(4)	Dec. 1, 1944	On Sept. 15, 1947	do.	{ do. Exchange at par.	1,549,892,000.00 137,352,000.00	
1½% A-1948	(4)	Mar. 15, 1944	On Sept. 15, 1948	do.	do.	1,687,244,000.00	1,687,244,000.00
Total regular series notes.						3,747,702,000.00	3,747,702,000.00
National defense series—							22,966,794,500.00
¾% B-1945	(4)	Dec. 18, 1940	On Dec. 15, 1945	June and Dec. 15.	Par.	530,838,700.00	530,837,200.00

Footnotes at end of table.





Certificates of indebtedness:				Exchange at par			
1% Series E-1945	(1)	Aug. 1, 1944	On Aug. 1, 1945	Feb. and Aug. 1	2,510,959,000.00	2,510,959,000.00	2,510,959,000.00
1% Series F-1945	(1)	Sept. 1, 1944	On Sept. 1, 1945	Feb. and Aug. 1	3,693,537,000.00	3,693,537,000.00	3,693,537,000.00
1% Series G-1945	(1)	Oct. 1, 1944	On Oct. 1, 1945	Apr. and Oct. 1	3,491,572,000.00	3,491,572,000.00	3,491,572,000.00
1% Series H-1945	(1)	Dec. 1, 1944	On Dec. 1, 1945	June and Dec. 1	4,395,400,000.00	4,395,400,000.00	4,395,400,000.00
1% Series I-1945	(1)	Feb. 1, 1945	On Feb. 1, 1946	Aug. and Feb. 1	5,043,467,000.00	5,043,467,000.00	5,043,467,000.00
1% Series A-1946	(1)	Mar. 1, 1945	On Mar. 1, 1946	Sept. and Mar. 1	4,147,310,000.00	4,147,310,000.00	4,147,310,000.00
1% Series B-1946	(1)	Apr. 1, 1945	On Apr. 1, 1946	Oct. and Apr. 1	4,810,534,000.00	4,810,534,000.00	4,810,534,000.00
1% Series C-1946	(1)	May 1, 1945	On May 1, 1946	Nov. and May 1	1,579,282,000.00	1,579,282,000.00	1,579,282,000.00
1% Series D-1946	(1)	June 1, 1945	On June 1, 1946	Dec. and June 1	4,463,770,000.00	4,463,770,000.00	4,463,770,000.00
1% Series E-1946	(1)						
Total certificates of indebtedness.					34,135,861,000.00	34,135,861,000.00	34,135,861,000.00
Treasury bills:							
Series maturing and approximate yield to maturity (%) <sup>16</sup>							
July 5, 1945—0.375	(1)	Apr. 5, 1945	On July 5, 1945	Sold at a discount; payable at par on maturity.	\$99.905	1,317,065,000.00	1,317,065,000.00
July 12, 1945—0.375	(1)	Apr. 12, 1945	On July 12, 1945		\$99.905	1,303,940,000.00	1,303,940,000.00
July 19, 1945—0.375	(1)	Apr. 19, 1945	On July 19, 1945		\$99.905	1,318,179,000.00	1,318,179,000.00
July 26, 1945—0.375	(1)	Apr. 26, 1945	On July 26, 1945		\$99.905	1,310,260,000.00	1,310,260,000.00
Aug. 2, 1945—0.375	(1)	May 3, 1945	On Aug. 2, 1945		\$99.905	1,314,334,000.00	1,314,334,000.00
Aug. 9, 1945—0.375	(1)	May 10, 1945	On Aug. 9, 1945		\$99.905	1,307,423,000.00	1,307,423,000.00
Aug. 16, 1945—0.375	(1)	May 17, 1945	On Aug. 16, 1945		\$99.905	1,307,394,000.00	1,307,394,000.00
Aug. 23, 1945—0.375	(1)	May 24, 1945	On Aug. 23, 1945		\$99.905	1,313,084,000.00	1,313,084,000.00
Aug. 30, 1945—0.375	(1)	May 31, 1945	On Aug. 30, 1945		\$99.905	1,314,409,000.00	1,314,409,000.00
Sept. 6, 1945—0.375	(1)	June 7, 1945	On Sept. 6, 1945		\$99.905	1,302,298,000.00	1,302,298,000.00
Sept. 13, 1945—0.375	(1)	June 14, 1945	On Sept. 13, 1945		\$99.905	1,309,767,000.00	1,309,767,000.00
Sept. 20, 1945—0.375	(1)	June 21, 1945	On Sept. 20, 1945		\$99.905	1,305,337,000.00	1,305,337,000.00
Sept. 27, 1945—0.375	(1)	June 28, 1945	On Sept. 27, 1945		\$99.905	1,317,766,000.00	1,317,766,000.00
Total Treasury bills						17,041,238,000.00	17,041,238,000.00
Special Issues							
Bonds:							
Adjusted service bonds:							
4½% bonds (Government life insurance fund, Series 1946).	(1)	June 15, 1936	On demand; on and after June 15, 1946.	June 15	Par	500,157,956.40	500,157,956.40
Treasury notes:							
Federal old-age and survivors insurance trust fund:							
2½% Series 1946	(1)	Various dates from June 30, 1941.	After 1 year from date of issue; on June 30, 1946.	June 30	do	319,200,000.00	319,200,000.00
2½% Series 1946	(1)	Various dates from Sept. 15, 1941.	do	do	do	603,000,000.00	603,000,000.00
2¼% Series 1946	(1)	Various dates from June 15, 1942.	do	do	do	228,000,000.00	228,000,000.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Au- thor- izing act	Tax ex- em- p- tions	Date of loan	When redeemable or payable	Interest payment date	Average price re- ceived	Amount issued	Amount retired	Amount out- standing
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Special Issues—Continued</b>									
Treasury notes—Continued.									
Federal old-age and sur- vivors insurance trust fund—Continued.									
2½% Series 1947-----	(1)	(1)	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	June 30-----	Par-----	\$450,400,000.00	-----	\$450,400,000.00
2½% Series 1947-----	(1)	(1)	Sept. 15, 1942-----	do-----	do-----	do-----	240,000,000.00	-----	240,000,000.00
2% Series 1947-----	(1)	(1)	Various dates from Dec. 15, 1942-----	do-----	do-----	do-----	459,000,000.00	-----	459,000,000.00
1½% Series 1947-----	(1)	(1)	June 15, 1943-----	do-----	do-----	do-----	275,000,000.00	-----	251,000,000.00
1½% Series 1948-----	(1)	(1)	Various dates from June 30, 1943-----	After 1 year from date of issue; on June 30, 1948.	do-----	do-----	1,109,000,000.00	\$24,000,000.00	1,109,000,000.00
Railroad retirement account:									
3% Series 1948-----	(1)	(1)	Various dates from July 1, 1943-----	do-----	do-----	do-----	261,500,000.00	87,500,000.00	174,000,000.00
3% Series 1949-----	(1)	(1)	Various dates from June 30, 1944-----	After 1 year from date of issue; on June 30, 1949.	do-----	do-----	313,500,000.00	-----	313,500,000.00
3% Series 1950-----	(1)	(1)	June 30, 1945-----	After 1 year from date of issue; on June 30, 1950.	do-----	do-----	13,000,000.00	-----	13,000,000.00
Civil service retirement fund:									
4% Series 1946-----	(1)	(1)	Various dates from June 30, 1941-----	After 1 year from date of issue; on June 30, 1946.	do-----	do-----	210,700,000.00	-----	210,700,000.00
4% Series 1947-----	(1)	(1)	Various dates from June 30, 1942-----	After 1 year from date of issue; on June 30, 1947.	do-----	do-----	391,400,000.00	-----	391,400,000.00
4% Series 1948-----	(1)	(1)	Various dates from June 30, 1943-----	After 1 year from date of issue; on June 30, 1948.	do-----	do-----	519,500,000.00	-----	519,500,000.00
4% Series 1949-----	(1)	(1)	Various dates from June 30, 1944-----	After 1 year from date of issue; on June 30, 1949.	do-----	do-----	509,100,000.00	-----	509,100,000.00

4% Series 1950.....	(1)	June 30, 1945.....	After 1 year from date of issue; on June 30, 1950.	do.....do.....	215,000,000.00	215,000,000.00
3% Series 1946.....	(1)	Various dates from June 30, 1941.	After 1 year from date of issue; on June 30, 1946.	do.....do.....	415,000.00	415,000.00
3% Series 1947.....	(1)	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	do.....do.....	510,000.00	510,000.00
3% Series 1948.....	(1)	Various dates from June 30, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....do.....	613,000.00	613,000.00
3% Series 1949.....	(1)	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	do.....do.....	942,000.00	942,000.00
3% Series 1950.....	(1)	June 30, 1945.....	After 1 year from date of issue; on June 30, 1950.	do.....do.....	90,000.00	90,000.00
Foreign service retirement fund.						
4% Series 1946.....	(1)	Various dates from June 30, 1941.	After 1 year from date of issue; on June 30, 1946.	do.....do.....	1,437,000.00	1,437,000.00
4% Series 1947.....	(1)	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	do.....do.....	1,606,000.00	1,606,000.00
4% Series 1948.....	(1)	Various dates from June 30, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....do.....	1,638,000.00	1,638,000.00
4% Series 1949.....	(1)	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	do.....do.....	1,639,000.00	1,639,000.00
4% Series 1950.....	(1)	June 30, 1945.....	After 1 year from date of issue; on June 30, 1950.	do.....do.....	1,500,000.00	1,500,000.00
3% Series 1949.....	(1)	May 28, 1945.....	After 1 year from date of issue; on June 30, 1949.	do.....do.....	6,000.00	6,000.00
3% Series 1950.....	(1)	June 30, 1945.....	After 1 year from date of issue; on June 30, 1950.	do.....do.....	10,000.00	10,000.00
Canal Zone retirement fund:						
4% Series 1946.....	(1)	Various dates from June 30, 1941.	After 1 year from date of issue; on June 30, 1946.	do.....do.....	3,481,000.00	3,481,000.00
4% Series 1947.....	(1)	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	do.....do.....	1,834,000.00	1,834,000.00
4% Series 1948.....	(1)	Various dates from June 30, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....do.....	1,870,000.00	1,870,000.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	An- thor- izing act	Tax ex- emp- tions	Date of loan	When redeemable or payable	Interest payment date	Average price re- ceived	Amount issued	Amount retired	Amount out- standing
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Special Issues—Continued</b>									
Treasury notes—Continued.									
Canal Zone retirement fund—Continued.									
4% Series 1949	( <i>l</i> )	( <i>l</i> )	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	June 30	Par	\$1,833,000.00	-----	\$1,833,000.00
4% Series 1950	( <i>l</i> )	( <i>l</i> )	June 30, 1945	After 1 year from date of issue; on June 30, 1950.	do	do	1,200,000.00	-----	1,200,000.00
3% Series 1948	( <i>l</i> )	( <i>l</i> )	Oct. 1, 1943	After 1 year from date of issue; on June 30, 1948.	do	do	18,000.00	-----	18,000.00
3% Series 1949	( <i>l</i> )	( <i>l</i> )	Various dates from Oct. 7, 1944.	After 1 year from date of issue; on June 30, 1949.	do	do	57,000.00	-----	57,000.00
3% Series 1950	( <i>l</i> )	( <i>l</i> )	June 30, 1945	After 1 year from date of issue; on June 30, 1950.	do	do	5,000.00	-----	5,000.00
Alaska Railroad retirement fund:									
4% Series 1946	( <i>l</i> )	( <i>l</i> )	Various dates from June 30, 1941.	After 1 year from date of issue; on June 30, 1946.	do	do	328,000.00	-----	328,000.00
4% Series 1947	( <i>l</i> )	( <i>l</i> )	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	do	do	547,000.00	-----	547,000.00
4% Series 1948	( <i>l</i> )	( <i>l</i> )	Various dates from June 30, 1943.	After 1 year from date of issue; on June 30, 1948.	do	do	452,000.00	-----	452,000.00
4% Series 1949	( <i>l</i> )	( <i>l</i> )	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	do	do	384,000.00	-----	384,000.00
4% Series 1950	( <i>l</i> )	( <i>l</i> )	June 30, 1945	After 1 year from date of issue; on June 30, 1950.	do	do	200,000.00	-----	200,000.00
Postal Savings System:									
2% Series 1949	( <i>l</i> )	( <i>l</i> )	Various dates from July 4, 1944.	After 1 year from date of issue; on June 30, 1949.	June 30, Dec. 31	do	797,000,000.00	\$336,000,000.00	461,000,000.00



Canal Zone Postal Savings System: 2½ Series 1946.....	(*)	(r)	May 26, 1942.....	After 1 year from date of issue; on June 30, 1946.	do.....	1,000,000.00	1,000,000.00	1,000,000.00
2½ Series 1947.....	(*)	(r)	Various dates from Sept. 24, 1942.	After 1 year from date of issue; on June 30, 1947.	do.....	2,500,000.00	1,250,000.00	1,250,000.00
2½ Series 1948.....	(*)	(r)	Various dates from Sept. 30, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....	1,250,000.00		1,250,000.00
Government life insurance fund: 2½ Series 1948.....	(*)	(r)	Various dates from July 1, 1943.	After 1 year from date of issue; on June 30, 1948.	June 30.....	96,327,000.00	94,927,000.00	1,400,000.00
2½ Series 1949.....	(*)	(r)	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	do.....	1,000,000.00		1,000,000.00
National service life insurance fund: 3½ Series 1946.....	(*)	(r)	Various dates from July 1, 1941.	After 1 year from date of issue; on June 30, 1946.	do.....	35,440,000.00		35,440,000.00
3½ Series 1947.....	(*)	(r)	Various dates from June 30, 1942.	After 1 year from date of issue; on June 30, 1947.	do.....	313,485,000.00		313,485,000.00
3½ Series 1948.....	(*)	(r)	Various dates from July 1, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....	820,700,000.00		820,700,000.00
3½ Series 1949.....	(*)	(r)	Various dates from June 30, 1944.	After 1 year from date of issue; on June 30, 1949.	do.....	1,901,000,000.00		1,901,000,000.00
3½ Series 1950.....	(*)	(r)	June 30, 1945.....	After 1 year from date of issue; on June 30, 1950.	do.....	116,500,000.00		116,500,000.00
Federal Deposit Insurance Corporation: 2½ Series 1947.....	(*)	(r)	Various dates from Feb. 5, 1943.	After 1 year from date of issue; on Dec. 1, 1947.	June and Dec. 1.....	157,000,000.00	140,000,000.00	17,000,000.00
2½ Series 1949.....	(*)	(r)	Various dates from Dec. 7, 1944.	After 1 year from date of issue; on Dec. 1, 1949.	do.....	204,000,000.00	124,000,000.00	80,000,000.00
Federal Savings and Loan Insurance Corporation: 2½ Series 1947.....	(*)	(r)	Various dates from July 28, 1942.	After 1 year from date of issue; on June 30, 1947.	June 30, Dec. 31.....	106,028,000.00	100,166,000.00	5,862,000.00
2½ Series 1948.....	(*)	(r)	Various dates from July 22, 1943.	After 1 year from date of issue; on June 30, 1948.	do.....	26,084,000.00	5,284,000.00	20,800,000.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Authority authorizing the act	Tax exemptions	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
<b>INTEREST-BEARING DEBT—Continued</b>									
<b>Special Issues—Continued</b>									
Treasury notes—Continued.									
Federal Savings and Loan Insurance Corp.—Con.									
2% Series 1949.....	(c)	(c)	Aug. 18, 1944.....	After 1 year from date of issue; on June 30, 1949.	June 30, Dec. 31.	Par.....	\$10,300,000.00		\$10,300,000.00
Total special Treasury notes.									9,816,402,000.00
Certificates of Indebtedness: Adjusted service certificate fund:									
4% Series 1946.....	(c)	(c)	Jan. 1, 1945.....	On demand; on Jan. 1, 1946.	Jan. 1.....	do.....	20,000,000.00	\$5,500,000.00	14,500,000.00
Unemployment trust fund:									
1½% Series 1946.....	(c)	(c)	June 30, 1945.....	On demand; on June 30, 1946.	June 30, Dec. 31.	do.....	6,747,000,000.00		6,747,000,000.00
Federal old-age and survivors insurance trust fund:									
1½% Series 1946.....	(c)	(c)	do.....	do.....	do.....	do.....	1,648,000,000.00		1,648,000,000.00
Government life insurance fund:									
3½% Series 1946.....	(c)	(c)	do.....	do.....	June 30.....	do.....	85,992,000.00		85,992,000.00
Total special certificates of indebtedness.									8,495,492,000.00
Total interest-bearing debt.									256,296,578,151.96
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED</b>									
Old debt matured prior to April 6, 1917: 17	(c)								1,259,760.26
3% Loan of 1908-18.....	(c)		1908.....	On Aug. 1, 1918.....			198,792,660.00	198,691,960.00	100,700.00

4% Loan of 1925.....	(*)	Feb. 1, 1895.....	Called for redemption Feb. 2, 1925.....	162,315,400.00	162,306,850.00	8,550.00
2% Consols of 1930.....	(*)	Apr. 1, 1900.....	Called for redemption July 1, 1935.....	646,250,150.00	646,222,350.00	27,800.00
2% Panama Canal loan.....	(*)	Aug. 1, 1906.....	Called for redemption Aug. 1, 1935.....	54,631,980.00	54,631,880.00	100.00
2% Panama Canal loan.....	(*)	Nov. 1, 1908.....	do.....	30,000,000.00	29,999,980.00	20.00
2½% Postal savings bonds.....	(*)	Jan. 1, July 1, 1911- 28.....	20 years from date of issue.....	11,995,880.00	11,962,300.00	33,580.00
First Liberty Loan: First 3½'s.....	(11)	June 15, 1917.....	Called for redemption June 15, 1935.....	1,989,455,550.00	1,986,045,450.00	3,410,100.00
First 4's.....	(12)	Nov. 15, 1917.....	do.....	568,318,450.00	568,198,300.00	120,150.00
First 4½'s.....	(13)	May 9, 1918.....	do.....	555,212,300.00	554,083,600.00	1,128,700.00
First-second 4½'s.....	(14)	Oct. 24, 1918.....	do.....	3,492,150.00	3,487,950.00	4,200.00
Second Liberty Loan: Second 4's.....	(15)	Nov. 15, 1917.....	Called for redemption Nov. 15, 1927.....	3,807,865,000.00	3,807,444,350.00	420,650.00
Second 4½'s.....	(16)	May 9, 1918.....	do.....	3,707,836,200.00	3,707,414,350.00	521,850.00
4½% Third Liberty Loan.....	(17)	do.....	On Sept. 15, 1928.....	4,175,650,650.00	4,174,100,200.00	1,549,850.00
4¼% Fourth Liberty Loan.....	(18)	Oct. 24, 1918.....	Bonds with final digits 1, 9, and 0 called for redemption Apr. 15, 1934; bonds with final digits 2 and 8 called for redemp- tion Oct. 15, 1934; bonds with final digits 5, 6, and 7 called for redemp- tion Apr. 15, 1935; and bonds with final digits 3 and 4 called for redemption Oct. 15, 1935.....	6,964,881,100.00	6,957,844,100.00	6,737,000.00
Victory notes: 3¼% Victory notes.....	(19)	May 20, 1919.....	Called for redemption June 15, 1922.....			800.00
4½% Victory notes.....	(20)	do.....	Symbols A to F called for redemption Dec. 15, 1922; balance of loan matured May 20 1923.....			499,600.00
Treasury bonds: 4% of 1944-54.....	(21)	Dec. 15, 1924.....	Called for redemption Dec. 15, 1944.....	1,047,088,500.00	1,026,232,300.00	20,856,200.00
3½% of 1940-43.....	(22)	July 16, 1928.....	Called for redemption June 15, 1940.....	359,042,950.00	358,065,750.00	977,200.00
3½% of 1941-43.....	(23)	Mar. 16, 1931.....	Called for redemption Mar. 15, 1941.....	594,230,050.00	593,484,650.00	745,400.00
3¼% of 1941.....	(24)	Aug. 15, 1933.....	Matured Aug. 1, 1941.....	835,043,100.00	834,636,900.00	406,200.00
3½% of 1943-47.....	(25)	June 15, 1927.....	Called for redemption June 15, 1943.....	494,854,750.00	491,808,250.00	3,046,500.00

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

Title of loan and rate of interest	Authorizing act	Tax exemptions	Date of loan	When redeemable or payable	Interest payment date	Average price received	Amount issued	Amount retired	Amount outstanding
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued</b>									
Treasury bonds—Continued.									
3¼% of 1943-45	(4)		Oct. 15, 1933	Called for redemption Oct. 15, 1943.			\$1,401,138,500.00	\$1,393,805,250.00	\$7,333,250.00
3¼% of 1944-46	(4)		Apr. 16, 1934	Called for redemption Apr. 15, 1944.			1,518,858,800.00	1,503,355,000.00	15,473,800.00
Adjusted service bonds:									
3% of 1945	(4)		June 15, 1936	On demand at option of owner; on June 15, 1945.	4		1,848,197,550.00	1,749,748,750.00	98,448,800.00
U. S. savings bonds, Series A.	(4)		Mar. to June 1935	Mar. to June 1945			121,127,928.75	98,691,065.75	22,436,863.00
Treasury notes:									
Regular series:									
5¼% Series A-1924	(4)		June 15, 1921	On June 15, 1924			311,191,600.00	311,175,400.00	16,200.00
4¾% Series A-1925	(4)		Feb. 1, 1922	On Mar. 15, 1925			601,599,500.00	601,594,500.00	5,000.00
4¾% Series A-1926	(4)		Mar. 15, 1922	On Mar. 15, 1926			617,769,700.00	617,766,900.00	2,800.00
4¾% Series B-1925	(4)		June 15, 1922	On Dec. 15, 1925			335,141,300.00	335,113,900.00	27,400.00
4¼% Series B-1926	(4)		Aug. 1, 1922	On Sept. 15, 1926			486,940,100.00	486,932,800.00	7,300.00
4½% Series C-1925	(4)		Dec. 15, 1922	On June 15, 1925			469,213,200.00	469,206,700.00	6,500.00
4½% Series C-1926	(4)		Jan. 15, 1923	On Dec. 15, 1927			366,981,500.00	366,972,900.00	8,600.00
4¾% Series B-1927	(4)		May 15, 1923	On Mar. 15, 1927			668,201,400.00	668,189,200.00	12,200.00
3½% Series A-1930-32	(4)		Mar. 15, 1927	Called Mar. 15, 1931			1,380,456,450.00	1,360,364,450.00	92,000.00
3½% Series B-1930-32	(4)		Sept. 15, 1927	do.			619,432,500.00	619,432,500.00	63,200.00
3½% Series C-1930-32	(4)		Jan. 16, 1928	On Dec. 15, 1932			607,399,650.00	607,375,500.00	24,450.00
3½% Series 1932	(4)		Dec. 15, 1931	On May 2, 1934			600,446,200.00	600,431,500.00	14,700.00
3½% Series A-1934	(4)		May 2, 1932	On June 15, 1935			244,234,600.00	244,232,100.00	2,500.00
2½% Series A-1935	(4)		Aug. 1, 1932	On Aug. 1, 1936			416,692,800.00	416,593,800.00	7,000.00
2½% Series B-1934	(4)		do.	On Sept. 15, 1937			345,292,600.00	345,277,600.00	13,000.00
2½% Series A-1936	(4)		Oct. 15, 1932	On Aug. 1, 1936			365,138,000.00	365,072,700.00	65,300.00
3¼% Series A-1937	(4)		Sept. 15, 1932	On Dec. 15, 1936			834,401,500.00	834,256,900.00	144,600.00
3% Series B-1936	(4)		Oct. 15, 1932	On Apr. 15, 1937			508,328,900.00	508,268,900.00	60,000.00
25½% Series A-1938	(4)		Dec. 15, 1932	On Dec. 15, 1936			300,533,200.00	300,513,200.00	20,000.00
25½% Series C-1936	(4)		Feb. 1, 1933	On Feb. 1, 1938			277,516,600.00	277,504,600.00	12,000.00
27½% Series B-1938	(4)		May 2, 1933	On Apr. 15, 1936			623,911,800.00	623,869,500.00	98,300.00
15½% Series B-1935	(4)		June 15, 1933	On June 15, 1938			353,865,000.00	352,875,600.00	42,300.00
2½% Series C-1935	(4)		Aug. 15, 1933	On Aug. 1, 1935			528,101,600.00	528,091,600.00	10,000.00
2½% Series D-1935	(4)		Jan. 29, 1934	On Mar. 15, 1935			418,291,900.00	418,211,900.00	80,000.00
2½% Series D-1935	(4)		Feb. 19, 1934	On Dec. 15, 1935					



3 7/8% Series C-1937.	do.	On Feb. 15, 1937.	428, 730, 700.00	428, 710, 700.00	20, 000.00
3% Series C-1938.	Mar. 15, 1934.	On Mar. 15, 1938.	455, 175, 500.00	454, 920, 500.00	255, 000.00
2 1/8% Series A-1939.	June 15, 1934.	On June 15, 1939.	1, 293, 714, 200.00	1, 293, 625, 000.00	89, 200.00
1 3/8% Series D-1936.	Sept. 15, 1934.	On Sept. 15, 1936.	514, 065, 000.00	514, 065, 200.00	800.00
2 1/2% Series D-1938.	do.	On Sept. 15, 1938.	596, 416, 100.00	596, 373, 550.00	42, 550.00
1 5/8% Series E-1936.	Dec. 15, 1934.	On Dec. 15, 1936.	686, 616, 400.00	686, 610, 100.00	6, 300.00
1 5/8% Series E-1940.	Mar. 15, 1935.	On Mar. 15, 1940.	1, 378, 364, 200.00	1, 377, 829, 600.00	534, 600.00
1 3/8% Series B-1940.	June 15, 1935.	On June 15, 1940.	526, 233, 000.00	526, 182, 200.00	50, 800.00
1 3/8% Series B-1939.	July 15, 1935.	On Dec. 15, 1939.	738, 428, 400.00	738, 313, 300.00	85, 100.00
1 3/8% Series C-1939.	Sept. 15, 1935.	On Mar. 15, 1939.	941, 613, 750.00	941, 413, 350.00	200, 400.00
1 3/8% Series C-1940.	Dec. 16, 1935.	On Dec. 15, 1940.	737, 191, 600.00	737, 114, 800.00	46, 800.00
1 3/2% Series A-1941.	Mar. 16, 1936.	On Mar. 15, 1941.	676, 707, 000.00	676, 286, 700.00	420, 900.00
1 3/2% Series B-1941.	June 15, 1936.	On June 15, 1941.	503, 877, 500.00	499, 919, 900.00	3, 957, 600.00
1 3/4% Series C-1941.	Dec. 15, 1936.	On Dec. 15, 1941.	204, 425, 400.00	203, 433, 300.00	992, 100.00
1 3/4% Series A-1942.	June 15, 1937.	On June 15, 1942.	426, 349, 500.00	425, 973, 500.00	376, 000.00
1 3/8% Series D-1939.	do.	On Sept. 15, 1939.	426, 554, 600.00	426, 554, 100.00	500.00
1 3/4% Series E-1938.	Sept. 15, 1937.	On Dec. 15, 1938.	433, 400, 900.00	433, 459, 900.00	1, 000.00
2% Series B-1942.	do.	On Sept. 15, 1942.	342, 143, 300.00	341, 834, 000.00	309, 300.00
1 3/4% Series C-1942.	Dec. 15, 1937.	On Dec. 15, 1938.	232, 375, 200.00	232, 097, 100.00	278, 100.00
1 3/8% Series A-1943.	June 15, 1938.	On June 15, 1943.	629, 116, 900.00	628, 653, 300.00	463, 600.00
3 1/4% Series D-1943.	Mar. 15, 1941.	On Mar. 15, 1943.	65, 963, 700.00	65, 951, 600.00	12, 100.00
1% Series C-1943.	June 15, 1940.	On Sept. 15, 1943.	279, 473, 800.00	278, 766, 600.00	707, 200.00
1 1/2% Series B-1943.	Dec. 15, 1938.	On Dec. 15, 1943.	420, 973, 000.00	420, 724, 700.00	248, 300.00
1 1/2% Series B-1944.	Nov. 1, 1939.	On Mar. 15, 1944.	415, 519, 500.00	414, 895, 500.00	1, 184, 400.00
3 1/2% Series A-1944.	June 15, 1939.	On June 15, 1944.	283, 096, 000.00	282, 198, 100.00	897, 900.00
3 1/2% Series D-1944.	Dec. 22, 1939.	On Sept. 15, 1944.	635, 094, 400.00	634, 810, 900.00	253, 500.00
3 1/4% Series A-1945.	Jan. 31, 1941.	do.	718, 024, 200.00	710, 429, 500.00	7, 594, 700.00
1 3/4% Series C-1945.	Mar. 15, 1940.	On Mar. 15, 1945.	1, 006, 204, 500.00	1, 005, 375, 600.00	828, 900.00
0.90% Series D-1945.	Sept. 25, 1942.	do.	2, 126, 896, 000.00	2, 126, 832, 000.00	64, 000.00
1 3/4% Series D-1945.	Feb. 1, 1944.	Various.	5, 028, 531, 650.00	5, 022, 957, 575.00	5, 574, 075.00
Tax series. (various rates).	Various.	do.			59, 276, 100.00
Certificates of Indebtedness (various rates).	do.	do.			7, 176, 000.00
Treasury bills:					
Treasury bills (various rates).	do.	do.			\$24, 450.00
Treasury savings certificates:					82, 875.00
3 1/2-4 1/2% issue of Dec. 15, 1921.	Dec. 15, 1921.	5 years from date of issue.	\$138, 288, 376.20	\$138, 253, 926.20	34, 000.00
3-4% issue of Sept. 30, 1922.	Sept. 30, 1922.	do.	205, 662, 045.20	205, 579, 170.20	
3 1/2-4 1/2% issue of Dec. 1, 1923.	Dec. 1, 1923.	do.	159, 511, 791.25	159, 477, 791.25	
Total matured debt on which interest has ceased.					279, 997, 523.26

Footnotes at end of table.

TABLE 20.—Description of the public debt issues outstanding June 30, 1945—Continued

	Amount issued	Amount re- tired	Amount out- standing
Public Debt Act of 1942.			\$173,232,487.27
<b>NONINTEREST-BEARING DEBT</b>			
United States savings stamps			
Excess profits tax refund bonds			
Issued under the authority of and subject to the provisions of the Second Liberty Bond Act as amended, and Sections 780 and 783, inclusive, of the Internal Revenue Code, as amended. Issued in series depending upon the tax years for which credits are available and in amounts certified to the Secretary of the Treasury by the Commissioner of Internal Revenue. Bear no interest and are redeemable at yearly intervals after the cessation of hostilities in the present war, as provided by Section 780 (E) of the Internal Revenue Code, as amended.			561,591,087.07
First Series			466,122,514.12
Second Series			1,027,713,601.19
Total			52,917.50
Old demand notes			
Acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338). (Greatest amount ever authorized to be outstanding, \$60,000,000)	18 \$60,030,000.00		
Fractional currency			
Acts of July 17, 1862 (12 Stat. 592); Mar. 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 220). (Greatest amount ever authorized to be outstanding, \$50,000,000)	18 308,724,080.00		19 1,969,233.00
Legal tender notes			
National bank notes (redemption account)			
The act of July 14, 1890 (26 Stat. 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks and all deposits thereafter received for like purpose shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption, * * * and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debts of United States bearing no interest. (Authorized to be outstanding at one time. Indefinite)	346,681,016.00		346,681,016.00
Thrift and Treasury savings stamps, unclassified sales, etc.			
Thrift stamps, etc.			655,194,693.50
Total noninterest-bearing debt			3,794,157.25
Total debt			2,208,578,105.71
Less gold reserve			255,785,153,780.93
Gross debt (including \$12,168,701,623.79 advanced to Government agencies for which their obligations are owned by the Treasury) as shown on statement of the public debt June 30, 1945.			156,039,430.93
Guaranteed obligations not owned by the Treasury			258,629,114,350.00
Total gross public debt and guaranteed obligations			507,554,466.68
			259,136,648,816.68

or any of the possessions of the United States, or by any local taxing authority. The following is applicable to savings bonds only: For the purposes of taxation any increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

Attention is invited to Treasury Decision 4550 ruling that bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies, and the interest thereon, are not exempt from the gift tax.

<sup>4</sup> National Defense Series issued prior to Mar. 1, 1941.—Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, or gift taxes, and (b) all income, excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations or corporations.

\* Any income derived from Treasury bills, whether interest or gain from their sale or other disposition does not have any exemption, as such, and loss from the sale or other disposition of any such bills does not have any special treatment, as such, under Federal tax acts now or hereafter enacted. The bills are subject to estate, inheritance, gift, or other excise taxes whether Federal or State, but are exempt from all taxation, now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which the bills are originally sold by the United States is to be considered to be interest.

<sup>7</sup> These issues being investments of various government funds and payable only for the account of such funds have no present tax liability.

**In hands of foreign holders.**—Applicable only to securities issued prior to Mar. 1, 1941: Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt, both as to principal and interest from all and any taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

#### MEMORANDUM RELATING TO OTHER OBLIGATIONS

Obligations of the United States payable on presentation:	Amount
Matured interest obligations outstanding	\$75,479,858.97
Interest accrued on Treasury savings notes (including tax series) and adjusted service bonds	133,527,773.69
Discount accrued on Treasury (war) savings certificates, matured series	3,158,080.00
Settlement warrant checks outstanding	537,001.18
Total	212,702,713.84

<sup>1</sup> Aug. 5, 1909, Feb. 4, 1910, and Mar. 2, 1911. <sup>2</sup> Dec. 23, 1913. <sup>3</sup> June 25, 1910. <sup>4</sup> Sept. 24, 1917, as amended. <sup>5</sup> Sept. 24, 1917, as amended. <sup>6</sup> Various. <sup>7</sup> June 13, 1898. <sup>8</sup> July 17, 1870, as amended. Jan. 14, 1875. <sup>9</sup> Mar. 14, 1900. <sup>10</sup> June 28, 1902; Dec. 21, 1905. <sup>11</sup> Apr. 24, 1917. <sup>12</sup> Apr. 24, 1917; Sept. 24, 1917, as amended. <sup>13</sup> Sept. 24, 1917.

<sup>14</sup> Redeemable, at par and accrued interest, to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payment of Federal estate taxes due from deceased owner's estate.

<sup>15</sup> Amounts issued and retired for Series A to F inclusive include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G are stated at par value.

<sup>16</sup> Treasury bills are sold on a discount basis on competitive bidding. The average sale price of these series gives an approximate yield on a bank discount basis.

<sup>17</sup> For detailed information and amounts outstanding June 30, 1929, see table 24 in annual report for 1929, p. 456. For amounts retired subsequent to 1929, see table 25, p. 542 of this report and corresponding tables in reports for 1930 to 1944.

<sup>18</sup> Includes amounts authorized to be outstanding at present time and amounts issued on deposits including reissues.

<sup>19</sup> After deducting amounts officially estimated to have been lost or irrevocably destroyed.

#### TAX EXEMPTIONS:

\* Exempt from the payment of all taxes or duties of the United States, as well as from all taxation in any form by or under State, municipal, or local authority. (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes imposed by Federal or State authority.)

<sup>5</sup> Securities issued prior to Mar. 1, 1941.—Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved Sept. 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. The following is applicable to savings bonds only: For the purposes of determining taxes and tax exemptions the increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

\* Securities issued on and after Mar. 1, 1941.—Income derived from these securities is subject to all Federal taxes now or hereafter imposed. The securities are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State,

TABLE 20.—*Description of the public debt issues outstanding June 30, 1945—Continued*

## ADJUSTMENT TO BASIS OF PUBLIC DEBT ACCOUNTS

[This adjustment is occasioned by items in transit on June 30, 1945, not reflected in the daily Treasury statement]

Class of security	Outstanding on basis of daily Treasury statement	Net adjustment to Public Debt accounts	Outstanding on basis of Public Debt accounts	Class of security	Outstanding on basis of daily Treasury statement	Net adjustment to Public Debt accounts	Outstanding on basis of Public Debt accounts
Interest-bearing debt:				Matured debt—Continued.			
Public issues:				United States savings bonds.			
Bonds (various):	\$195,824,740.00		\$195,824,740.00	Treasury notes (various):	\$28,033,500.00	+\$22,436,863.00	\$22,436,863.00
Treasury bonds.	106,448,403,950.00	—\$238,000.00	106,448,165,950.00	Certificates of indebtedness:	59,316,100.00	—177,025.00	27,856,475.00
United States savings bonds.	45,585,588,646.30	—57,130,540.74	45,528,458,105.56	Treasury bills.	7,126,000.00	—40,000.00	59,276,100.00
2% Depository bonds.	504,534,000.00		504,534,000.00	Treasury savings certificates.	7,141,325.00	+50,000.00	7,176,000.00
Total bonds.	152,734,351,336.30	—57,368,540.74	152,676,982,795.56	Total matured debt.	268,667,135.26	+11,330,388.00	141,325.00
Treasury notes:				Debt bearing no interest:			279,997,523.26
Regular series:	22,966,502,500.00	+292,000.00	22,966,794,500.00	United States savings stamps.	177,598,269.21	—4,365,781.94	173,232,487.27
National defense series.	530,837,200.00		530,837,200.00	Excess profits tax refund bonds.	1,027,713,601.19		1,027,713,601.19
Tax series.	68,237,825.00	—16,925.00	68,220,900.00	Old demand notes and fractional currency.	2,022,150.50		2,022,150.50
Savings series.	10,067,516,000.00	—2,944,200.00	10,064,571,800.00	United States notes.	346,681,016.00		346,681,016.00
Certificates of indebtedness.	34,135,861,000.00		34,135,861,000.00	Less gold reserve.	156,039,430.93		156,039,430.93
Treasury bills.	17,041,258,000.00		17,041,258,000.00	National bank and Federal Reserve Bank notes.	655,194,683.50		655,194,683.50
Special issues:	500,157,956.40		500,157,956.40	Thrift and Treasury savings stamps.	3,734,157.50	— .25	3,734,157.25
Bonds.	9,816,402,000.00		9,816,402,000.00	Total debt bearing no interest.	2,056,904,456.97	—4,365,782.19	2,052,538,674.78
Treasury notes.	8,495,492,000.00		8,495,492,000.00	Total gross debt outstanding.	258,682,187,409.93	—53,073,059.93	258,629,114,350.00
Certificates of indebtedness.							
Total interest-bearing debt.	256,356,615,817.70	—60,037,665.74	256,296,578,151.96				
Matured debt:							
Old debt (various):	1,430,510.26		1,430,510.26				
Liberty loan bonds and Victory notes.	14,409,800.00	—16,900.00	14,392,900.00				
Treasury bonds.	48,854,600.00	—16,050.00	48,838,550.00				
Adjusted service bonds of 1945.	109,355,300.00	—10,906,500.00	98,448,800.00				



TABLE 21.—*Principal of the public debt outstanding at the end of each fiscal year from 1853 through 1945*<sup>1</sup>

[On basis of Public Debt accounts from 1853 through 1919, and on basis of daily Treasury statements from 1920 to date, see p. 437.]

June 30—	Interest-bearing <sup>2</sup>	Matured	Noninterest-bearing <sup>3</sup>	Total gross debt	Gross debt per capita
1853.....	\$59,642,412	\$162,249	—	\$59,804,661	\$2.36
1854.....	42,044,517	199,248	—	42,243,765	1.62
1855.....	35,418,001	170,498	—	35,588,499	1.32
1856.....	31,805,180	168,901	—	31,974,081	1.15
1857.....	28,503,377	197,998	—	28,701,375	1.01
1858.....	44,743,256	170,168	—	44,913,424	1.53
1859.....	58,333,156	165,225	—	58,498,381	1.93
1860.....	64,683,256	160,575	—	64,843,831	2.06
1861.....	90,423,292	159,125	—	90,582,417	2.83
1862.....	365,356,045	230,520	\$158,591,390	524,177,955	16.03
1863.....	707,834,255	171,970	411,767,456	1,119,773,681	33.56
1864.....	1,360,026,914	366,629	455,437,271	1,815,830,814	53.33
1865.....	2,217,709,407	2,129,425	458,090,180	2,677,929,012	77.07
1866.....	2,322,116,330	4,435,865	429,211,734	2,755,763,929	77.69
1867.....	2,238,954,794	1,739,108	409,474,321	2,650,168,223	73.19
1868.....	2,191,326,130	1,246,334	390,873,992	2,583,446,456	69.87
1869.....	2,151,495,065	5,112,034	388,503,491	2,545,110,590	67.41
1870.....	2,035,881,095	3,569,664	397,002,510	2,436,453,269	63.19
1871.....	1,920,696,750	1,948,902	309,406,489	2,322,052,141	58.70
1872.....	1,800,794,100	7,926,547	401,270,191	2,209,990,838	54.44
1873.....	1,696,483,950	51,929,460	402,796,935	2,151,210,345	51.62
1874.....	1,724,930,750	3,216,340	431,785,640	2,159,932,730	50.47
1875.....	1,708,676,300	11,425,570	436,174,779	2,156,276,649	49.06
1876.....	1,696,685,450	3,902,170	430,258,158	2,130,845,778	47.21
1877.....	1,697,888,500	16,648,610	393,222,793	2,107,759,903	45.47
1878.....	1,780,735,650	5,594,070	373,088,595	2,159,418,315	45.37
1879.....	1,887,716,110	37,015,380	374,181,153	2,298,912,643	47.05
1880.....	1,709,993,100	7,621,205	373,294,567	2,090,908,872	41.69
1881.....	1,625,567,750	6,723,615	386,994,363	2,019,285,728	39.35
1882.....	1,449,810,400	16,260,555	390,844,689	1,856,915,644	35.37
1883.....	1,324,229,150	7,831,165	389,898,603	1,721,958,918	32.07
1884.....	1,212,563,850	19,655,955	393,087,639	1,625,307,444	29.60
1885.....	1,182,150,950	4,100,745	392,299,474	1,578,551,169	28.11
1886.....	1,132,014,100	9,704,195	413,941,255	1,555,659,550	27.10
1887.....	1,007,692,350	6,114,915	451,678,029	1,465,485,294	24.97
1888.....	936,522,500	2,495,845	445,613,311	1,384,631,656	23.09
1889.....	815,853,990	1,911,235	431,705,296	1,249,470,511	20.39
1890.....	711,313,110	1,815,555	409,267,919	1,122,396,584	17.92
1891.....	610,529,120	1,614,705	393,662,736	1,005,806,561	15.75
1892.....	585,029,330	2,785,875	380,403,636	968,218,841	14.88
1893.....	585,037,100	2,094,060	374,300,606	961,431,766	14.49
1894.....	635,041,890	1,851,240	380,004,687	1,016,897,817	15.04
1895.....	716,202,060	1,721,590	378,989,470	1,096,913,120	15.91
1896.....	847,363,890	1,636,890	373,728,570	1,222,729,350	17.40
1897.....	847,365,130	1,346,880	378,081,703	1,226,793,713	17.14
1898.....	847,367,470	1,262,680	384,112,913	1,232,743,063	16.90
1899.....	1,046,048,750	1,218,300	389,433,654	1,436,700,704	19.33
1900.....	1,023,478,860	1,176,320	238,761,733	1,263,416,913	16.56
1901.....	987,141,040	1,415,620	233,015,585	1,221,572,245	15.71
1902.....	931,070,340	1,280,860	245,680,157	1,178,031,357	14.89
1903.....	914,541,410	1,205,090	243,659,413	1,159,405,913	14.40
1904.....	895,157,440	1,970,920	239,130,656	1,136,259,016	13.88
1905.....	895,158,340	1,370,245	235,828,510	1,132,357,095	13.60
1906.....	895,159,140	1,128,135	246,235,695	1,142,522,970	13.50
1907.....	894,834,280	1,086,815	251,257,098	1,147,178,193	13.33
1908.....	897,503,990	4,130,015	276,056,398	1,177,690,403	13.46
1909.....	913,317,490	2,883,855	232,114,027	1,148,315,372	12.91
1910.....	913,317,490	2,124,895	231,497,584	1,146,939,969	12.69
1911.....	915,353,190	1,879,830	236,751,917	1,153,984,937	12.28
1912.....	963,776,770	1,760,450	228,301,285	1,193,838,505	12.48
1913.....	965,706,610	1,659,550	225,681,585	1,193,047,745	12.26
1914.....	967,953,310	1,552,560	218,729,530	1,188,235,400	12.00

<sup>r</sup> Revised.

<sup>1</sup> Figures for 1853 through 1885, are taken from "Statement of receipts and expenditures of the Government from 1855 to 1885 and principal of public debt from 1791 to 1885," compiled from the official records of the Register's office. From 1886 through 1919 figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury. (See table 24, p. 507, in 1942 report). From 1920 to date, figures are taken from the Preliminary Statement of the Public Debt published in the daily Treasury statements.

<sup>2</sup> Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States).

<sup>3</sup> Includes old demand notes; United States notes (gold reserve deducted since 1900); postal currency and fractional currency less the amounts officially estimated to have been destroyed; and also the deposits held by the Treasury for the retirement of Federal Reserve Bank notes, and for national bank notes of national banks failed, in liquidation, and reducing circulation, which prior to 1890 were not included in the published debt statements. Does not include gold, silver, or currency certificates, or Treasury notes of 1890 for redemption of which an exact equivalent of the respective kinds of money or bullion was held in the Treasury.

TABLE 21.—*Principal of the public debt outstanding at the end of each fiscal year from 1853 through 1945* <sup>1</sup>—Continued

June 30—	Interest-bearing <sup>2</sup>	Matured	Noninterest-bearing <sup>3</sup>	Total gross debt	Gross debt per capita
1915.....	\$969,759,090	\$1,507,260	\$219,997,718	\$1,191,264,068	\$11.83
1916.....	971,562,590	1,473,100	252,109,878	1,225,145,568	11.96
1917.....	2,712,549,477	14,232,230	248,836,878	2,975,618,585	28.57
1918.....	11,985,882,436	20,242,550	237,503,733	12,243,628,719	115.65
1919.....	25,234,496,274	11,109,370	236,428,775	25,482,034,419	240.09
1920.....	24,062,500,285	6,745,237	230,075,945	24,299,321,467	228.33
1921.....	23,738,900,085	10,688,160	227,862,308	23,977,450,553	221.10
1922.....	22,710,338,105	25,250,880	227,792,723	22,963,381,708	208.97
1923.....	22,007,043,612	98,738,910	243,924,844	22,349,707,365	200.10
1924.....	20,981,242,042	30,278,200	239,292,747	21,250,812,989	186.86
1925.....	20,210,906,915	30,258,980	275,027,993	20,516,193,888	177.82
1926.....	19,383,770,860	13,359,900	246,085,555	19,643,216,315	167.70
1927.....	18,252,664,666	14,718,585	244,523,681	18,511,906,932	156.05
1928.....	17,317,694,182	45,335,060	241,263,959	17,604,293,201	146.69
1929.....	16,638,941,379	50,749,199	241,397,905	16,931,088,484	139.40
1930.....	15,921,892,350	31,716,870	231,700,611	16,185,309,831	131.49
1931.....	16,519,588,640	51,819,095	229,873,756	16,801,281,492	135.37
1932.....	19,161,273,540	60,079,385	265,649,519	19,487,002,444	155.93
1933.....	22,157,643,120	65,911,170	315,118,270	22,538,672,560	179.21
1934.....	26,480,487,870	54,266,830	518,386,714	27,053,141,414	213.65
1935.....	27,645,241,089	230,662,155	824,989,381	28,700,892,625	225.07
1936.....	32,988,790,135	169,363,395	620,389,964	33,778,543,494	263.01
1937.....	35,800,109,418	118,529,815	505,974,499	36,424,613,732	281.80
1938.....	36,575,925,880	141,362,460	447,451,975	37,164,740,315	285.41
1939.....	39,885,969,732	142,283,140	411,279,539	40,439,532,411	308.29
1940.....	42,376,495,928	204,591,190	386,443,919	42,967,531,038	325.63
1941.....	48,387,399,539	204,999,860	369,044,137	48,961,443,536	367.54
1942.....	71,968,418,098	98,299,730	355,727,288	72,422,445,116	537.35
1943.....	135,380,305,795	140,500,090	1,175,284,445	136,696,090,330	1,001.55
1944.....	199,543,355,301	200,851,160	1,259,180,760	201,003,387,221	1,455.52
1945.....	256,356,615,818	268,667,135	2,056,904,457	258,682,187,410	1,853.01

Footnotes on p. 531.

TABLE 22.—Comparative statement of the public debt outstanding June 30, 1933 through 1945  
[In millions of dollars. On basis of daily Treasury statements, see p. 437]

Class	June 30, 1933	June 30, 1934	June 30, 1935	June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945
<b>Interest-bearing:</b>													
<b>Public issues:</b>													
<b>Marketable issues:</b>													
Consols of 1930	600	600	600										
Panama Canal loan bonds	125	125	125	50	50	50	50	50	50	50	50	50	50
Conversion bonds of 1946-47	29	29	29	29	29	29	29	29	29	29	29	29	29
Postal savings bonds	53	78	102	121	119	118	118	118	117	117	117	117	117
Liberty loan bonds	8,201	6,346	1,335										
Treasury bonds	5,216	9,333	12,684	17,168	19,935	21,846	25,218	26,555	30,215	38,085	57,520	79,244	106,448
Treasury notes	4,548	6,653	10,023	11,381	10,617	9,147	7,243	6,383	5,698	6,689	9,168	17,405	23,497
Certificates of indebtedness	2,108	1,517								3,096	16,561	28,822	34,136
Treasury bills	954	1,404	2,053	2,354	2,303	1,154	1,308	1,302	1,603	2,508	11,864	14,734	17,041
<b>Total marketable issues</b>	21,834	26,084	26,950	31,102	33,054	32,344	33,965	34,436	37,713	50,573	95,310	140,401	181,319
<b>Nonmarketable issues:</b>													
United States savings bonds													
Depository bonds			62	316	800	1,238	1,868	2,905	4,314	10,188	21,256	34,606	45,586
Adjusted service bonds of 1945										79	226	474	503
Treasury notes—tax series and savings series				945	389	319	283	261	241	229	222	217	
<b>Total nonmarketable issues</b>			62	1,261	1,188	1,556	2,151	3,166	4,555	13,510	29,200	44,855	56,226
<b>Total public issues</b>	21,834	26,084	27,012	32,363	34,242	33,900	36,116	37,602	42,267	64,083	124,509	185,256	237,545
<b>Special issues:</b>													
Old-age reserve account (notes)					267	662	1,177	1,413	1,053	524			
Federal old-age and survivors insurance trust fund (notes)								325	1,328	2,610	4,044	4,386	3,660
Federal old-age and survivors insurance trust fund (certificates)												380	1,648
Railroad retirement account (notes)						66	67	79	74	92	178	319	501
Civil service retirement fund (notes)	227	239	248	275	309	389	465	550	645	783	1,060	1,451	1,848
Foreign service retirement fund (notes)	2	2	3	3	3	3	4	4	5	5	6	7	8
Canal Zone retirement fund (notes)	2	2	2	3	3	4	4	4	5	7	8	9	10
Alaska Railroad retirement fund (notes)					(*) 30	(*)	1	1	1	1	2	2	2
Postal Savings System (notes)		35	125	100		45	128	97	88	55	197	264	461

TABLE 22.—Comparative statement of the public debt outstanding June 30, 1933 through 1945—Continued  
[In millions of dollars.]

Class	June 30, 1933	June 30, 1934	June 30, 1935	June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945
<b>Interest-bearing—Continued.</b>													
<b>Special issues—Continued.</b>													
Canal Zone Postal Savings System (notes).....										1	2	4	4
Federal Deposit Insurance Corporation (notes).....			100	100	95	85	101	56	90	95	103	98	97
Federal Savings and Loan Insurance Corporation (notes).....									5	5	106	27	37
National service life insurance fund (notes).....									3	39	352	1,213	3,187
Government life insurance fund (adjusted service bonds).....					500	500	500	500	500	500	500	500	500
Government life insurance fund (notes).....						23	36	24	31	37	38	2	2
Government life insurance fund (certificates).....													86
Adjusted service certificate fund (certificates).....	92	118	156	127	38	26	20	11	19	18	18	17	15
Unemployment trust fund (certificates).....				19	312	872	1,267	1,710	2,273	3,114	4,257	5,610	6,747
Total special issues.....	323	396	633	626	1,558	2,676	3,770	4,775	6,120	7,885	10,871	14,287	18,812
Total interest-bearing debt.....	22,158	26,480	27,645	32,989	35,800	36,576	39,886	42,376	48,387	71,968	135,380	199,543	256,357
<b>Noninterest-bearing:</b>													
Matured debt on which interest has ceased.....		54	231	169	119	141	142	205	205	98	141	201	269
United States war savings stamps <sup>1</sup> .....											213	178	178
Excess profits tax refund bonds.....												134	1,028
United States notes (less gold reserve).....	191	191	191	191	191	191	191	191	191	191	191	191	191
Deposits for retirement of national bank and Federal Reserve Bank notes.....	119	322	629	424	310	252	215	190	173	159	766	732	655
Other debt bearing no interest.....	5	5	5	5	5	5	5	5	6	6	6	6	6
Total noninterest-bearing debt.....	381	573	1,056	790	625	589	554	591	574	454	1,316	1,460	2,326
Total gross debt.....	22,539	27,053	28,701	33,779	36,425	37,165	40,440	42,968	48,961	72,422	136,696	201,003	258,682

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Sales of these stamps commenced May 1, 1941, as a special defense series of postal sav-

ings stamps, which were obligations of the Postal Savings System. Beginning Oct. 1, 1942, this special series was replaced by a Treasury issue of United States war savings stamps and all outstanding stamps became public debt obligations.



TABLE 23. *Composition of the public debt at the end of the fiscal years 1916 through 1945 and by months during the fiscal year 1945<sup>1</sup>*

[In millions of dollars. On basis of Public Debt accounts from 1916 through 1919, and on basis of daily Treasury statements from 1920 to date, see p. 437]

End of fiscal year or month	Bonds		Notes <sup>2</sup>	Certifi- cates of indebted- ness and Treasury bills	Special issues to Govern- ment agencies and trust funds	Total interest- bearing debt	Matured debt on which interest has ceased	Debt bear- ing no interest	Total gross debt
	United States sav- ings bonds	Other							
June 30--									
1916		\$967	\$4			\$972	\$1	\$252	\$1,225
1917		2,412	27	\$273		2,713	14	249	2,976
1918		9,911	369	1,706		11,986	20	233	12,244
1919		17,188	4,422	3,625		25,234	11	236	25,482
1920		16,218	5,075	2,769		24,063	7	230	24,299
1921		16,119	4,920	2,700		23,739	11	228	23,977
1922		15,965	4,916	1,829		22,710	25	228	22,963
1923		16,535	4,441	1,031		22,007	99	244	22,350
1924		16,025	4,148	808		20,981	30	239	21,251
1925		16,842	2,740	533	\$95	20,211	30	275	20,516
1926		16,928	1,799	453	204	19,384	13	246	19,643
1927		15,222	1,986	686	359	18,253	15	245	18,512
1928		13,021	2,582	1,252	462	17,318	45	241	17,604
1929		12,125	2,267	1,640	607	16,639	51	241	16,931
1930		12,111	1,626	1,420	764	15,922	32	232	16,185
1931		13,531	452	2,246	291	16,520	52	230	16,801
1932		14,250	1,261	3,341	309	19,161	60	266	19,487
1933		14,223	4,548	3,063	323	22,158	66	315	22,539
1934		16,510	6,653	2,921	396	26,480	54	518	27,053
1935	\$62	14,874	10,023	2,053	633	27,645	231	825	28,701
1936	316	18,312	11,381	2,354	626	32,989	169	620	33,779
1937	800	20,522	10,617	2,303	1,558	35,800	119	506	36,425
1938	1,238	22,361	9,147	1,154	2,676	36,576	141	447	37,165
1939	1,868	25,698	7,243	1,308	3,770	39,886	142	411	40,440
1940	2,905	27,012	6,383	1,302	4,775	42,376	205	386	42,968
1941	4,314	30,652	5,698	1,603	6,120	48,387	205	369	48,961
1942	10,188	38,588	9,703	5,604	7,885	71,968	98	356	72,422
1943	21,256	58,164	16,663	28,425	10,871	135,380	141	1,175	136,696
1944	34,606	80,132	26,962	43,557	14,287	199,543	201	1,259	201,003
1945	45,586	107,149	33,633	51,177	18,812	256,357	269	2,057	258,682
End of month—									
1944—									
July	36,538	81,992	28,067	45,559	14,961	207,117	175	1,281	208,574
August	36,883	82,131	28,097	45,716	15,461	208,289	167	1,347	209,802
September	37,323	82,171	27,061	45,320	15,976	207,850	240	1,406	209,496
October	37,645	82,177	27,012	45,605	16,170	208,608	199	1,437	210,244
November	38,308	82,007	27,927	45,949	16,583	210,774	178	1,462	211,005
December	40,361	92,494	32,882	40,829	16,326	228,891	186	1,553	230,630
1945—									
January	41,140	93,135	32,904	46,804	16,688	230,672	145	1,591	232,408
February	41,698	93,264	32,967	46,795	17,130	231,854	209	1,644	233,707
March	42,159	93,298	27,537	51,464	17,567	232,026	194	1,729	233,950
April	42,626	93,298	27,698	51,519	17,923	233,063	175	1,831	235,069
May	43,767	93,292	28,619	51,491	18,592	235,761	149	1,922	238,832
June	45,586	107,149	33,633	51,177	18,812	256,357	269	2,057	258,682

NOTE.—Figures are rounded and will not necessarily add to totals. For monthly figures, on a revised basis, back to June 1916, see annual report for 1936, p. 413, and corresponding tables in subsequent reports.

<sup>1</sup> For an analysis of the items included in each category in this table, see the monthly Statements of the Public Debt of the United States for 1916 through 1919, and the daily Treasury statements for the end of the fiscal year or month from 1920 through December 1942 and thereafter the daily Treasury statement for the first day of each month. Details for June 30, 1945, are shown in table 20, on p. 511 of this report.<sup>2</sup> Includes old Treasury (War) savings securities from 1918 through 1929.<sup>3</sup> Includes prepayments on securities dated in the following month.

## Public debt operations

TABLE 24.—*Public debt receipts and expenditures, monthly, July 1944 through June 1945, with totals for the fiscal years 1944 and 1945*<sup>1</sup>  
[On basis of daily Treasury statements, see p. 437]

Fiscal year 1945							
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	January 1945
RECEIPTS							
Public issues:							
Cash:							
Treasury bills	\$4,841,317,000.00	\$6,050,885,000.00	\$4,855,415,000.00	\$5,153,303,000.00	\$6,395,810,000.00	\$4,878,513,000.00	\$5,129,016,000.00
Certificates of indebtedness	1,213,033,000.00	223,000.00			736,279,000.00	3,669,115,000.00	a 2,000.00
Certificates of indebtedness, special series							
Treasury notes	661,839,000.00	a 28,000.00			267,588,000.00	1,282,012,100.00	294,000.00
Treasury notes (tax series and savings series)							
Treasury bonds	665,481,500.00	201,442,700.00	281,653,900.00	180,674,500.00	1,081,692,600.00	1,283,781,800.00	257,710,200.00
United States savings bonds 1	1,852,845,000.00	138,278,000.00	35,452,500.00	408,500.00	1,382,500,500.00	9,201,471,000.00	630,373,000.00
United States savings stamps	2,138,564,068.85	624,383,397.80	722,808,163.30	721,942,382.23	1,045,989,638.23	2,417,831,602.59	1,120,900,497.96
United States savings stamps	16,565,596.29	23,137,718.92	18,898,337.77	24,679,125.52	23,945,603.93	21,162,550.85	21,088,140.80
Depository bonds		6,073,500.00	5,320,500.00	11,373,000.00	3,724,000.00	8,199,000.00	9,351,000.00
Deposits for retirement of Federal Reserve Bank notes	12,343,000.00						
Subtotal	11,421,988,165.14	7,044,397,316.72	5,919,548,401.07	6,092,380,507.75	10,927,589,342.16	22,762,086,053.44	7,168,730,838.76
Adjusted service bonds	164,600.00	182,100.00	221,850.00	120,300.00	250,350.00	273,250.00	1,377,500.00
Excess profits tax refund bonds	43,757,460.02	84,679,559.16	64,464,467.00	32,370,088.21	70,791,262.80	50,913,223.16	46,417,463.44
Exchanges:							
Certificates of indebtedness							
Treasury notes		2,510,959,000.00	3,693,537,000.00	3,491,572,000.00	16,636,000.00	3,536,402,000.00	135,000.00
Treasury bonds			787,774,500.00		152,874,000.00	613,885,300.00	6,399,700.00
Subtotal		2,510,959,000.00	4,481,311,500.00	3,491,572,000.00	169,510,000.00	4,150,287,300.00	6,534,700.00
Special issues:							
Adjusted service certificate fund (certificates)	9,000,000.00						20,000,000.00
Government life insurance fund (certificates)	16,132,000.00	5,100,000.00	7,000,000.00	4,900,000.00	2,800,000.00	4,800,000.00	2,430,000.00
Unemployment trust fund (certificates)	43,000,000.00	298,000,000.00	34,000,000.00	23,000,000.00	278,000,000.00	33,000,000.00	74,000,000.00
Federal old-age and survivors insurance trust fund (certificates)							
Federal old-age and survivors insurance trust fund (notes)			280,000,000.00				
Railroad retirement account (notes)	204,000,000.00			33,000,000.00			34,500,000.00
Civil service retirement fund (notes)	196,700,000.00	27,400,000.00	13,630,000.00	11,930,000.00	9,669,000.00	9,564,000.00	11,075,000.00
Foreign service retirement fund (notes)	910,000.00						
Canal Zone retirement fund (notes)	1,177,000.00			14,000.00			21,000.00
Alaska Railroad retirement fund (notes)	175,000.00						10,000.00

	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	RECEIPTS						
	February 1945	March 1945	April 1945	May 1945	June 1945		
Public issues:							
Cash:							
Treasury bills	\$5,234,755,000.00	\$6,557,024,000.00	\$5,249,444,000.00	\$6,556,626,000.00	\$5,235,188,000.00	\$66,137,296,000.00	\$54,008,810,000.00
Certificates of indebtedness	3,394,897,000.00	1,000.00		115,174,000.00	4,348,596,000.00	10,467,316,000.00	15,295,918,000.00
Certificates of indebtedness, special series		4,000,000.00				4,000,000.00	491,000,000.00
Treasury notes		2,100.00				2,933,571,000.00	\$ 5,851,461,950.00
Treasury notes (tax series and savings series)	912,396,300.00	233,055,900.00	407,698,700.00	1,006,770,100.00	1,113,510,500.00	7,015,838,700.00	8,953,707,450.00
Treasury bonds	127,323,000.00	27,831,000.00		832,076,500.00	13,239,099,500.00	27,468,348,500.00	423,365,839,000.00
United States savings bonds 2	881,008,622.24	925,062,849.82	869,679,837.25	1,567,900,149.86	2,221,728,968.79	15,277,800,178.92	15,720,857,893.76
United States savings stamps	20,731,181.00	28,253,861.69	24,748,203.90	26,131,631.76	19,008,559.60	268,410,512.03	408,930,226.94
Depository bonds	7,915,500.00	10,421,000.00	5,564,000.00	9,413,000.00	4,195,000.00	93,924,500.00	285,536,500.00
Deposits for retirement of Federal Reserve Bank notes							36,720,000.00
Subtotal	6,879,026,603.24	7,785,047,511.51	6,557,164,741.15	10,204,091,381.62	26,903,854,528.397	120,666,505,390.95	124,448,841,014.70
Adjusted service bonds	1,131,850.00	1,089,000.00	333,550.00	179,150.00	196,450.00	5,519,950.00	1,379,800.00
Excess profits tax refund bonds	54,188,452.11	88,541,905.86	109,380,316.31	151,818,971.19	96,358,250.65	893,681,425.91	134,032,175.28
Exchanges:							
Certificates of indebtedness	4,648,577,000.00	4,147,310,000.00	4,810,554,000.00	1,579,292,000.00		24,881,801,000.00	13,526,498,000.00
Treasury notes		10,000.00				8,528,054,500.00	4,016,668,050.00
Treasury bonds	85,000.00				4,187,107,000.00	773,254,000.00	1,247,099,500.00
Subtotal	4,648,662,000.00	4,147,320,000.00	4,810,554,000.00	1,579,292,000.00	4,187,107,000.00	34,183,109,500.00	18,790,265,550.00
Special issues:							
Adjusted service certificate fund (certificates)							
Government life insurance fund (certificates)						29,000,000.00	18,400,000.00
Unemployment trust fund (certificates)	3,100,000.00	5,000,000.00	2,800,000.00	1,900,000.00	115,992,000.00	171,984,000.00	
Federal old-age and survivors insurance trust fund (certificates)	220,000,000.00	38,000,000.00	25,000,000.00	283,000,000.00	6,775,000,000.00	8,124,000,000.00	7,022,000,000.00
Federal old-age and survivors insurance trust fund (notes)		200,000,000.00			1,648,000,000.00	2,128,000,000.00	380,000,000.00
Railroad retirement account (notes)							649,000,000.00
Civil service retirement fund (notes)							298,500,000.00
Foreign service retirement fund (notes)	13,091,000.00	10,535,000.00	8,613,000.00	11,673,000.00	225,295,000.00	549,085,000.00	516,101,000.00
Canal Zone retirement fund (notes)				6,000.00	1,510,000.00	2,426,000.00	1,769,000.00
Alaska Railroad retirement fund (notes)			15,000.00		1,212,000.00	2,439,000.00	1,851,000.00
					200,000.00	385,000.00	1,349,000.00

Footnotes at end of table.

TABLE 24.—Public debt receipts and expenditures, monthly, July 1944 through June 1945, with totals for the fiscal years 1944 and 1945<sup>1</sup>—Con.

	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
RECEIPTS—Continued						
Special issues—Continued.						
Postal Savings System (notes)	\$55,000,000.00	\$53,000,000.00	\$74,000,000.00	\$55,000,000.00	\$51,000,000.00	\$50,000,000.00
Canal Zone, Postal Savings System (notes)						
Government life insurance fund (notes)	500,000.00					
National service life insurance fund (notes)	109,500,000.00	117,000,000.00	100,500,000.00	67,500,000.00	86,000,000.00	110,000,000.00
Federal Deposit Insurance Corporation (notes)	60,000,000.00	10,000,000.00	15,000,000.00	10,000,000.00		5,000,000.00
Federal Savings and Loan Insurance Corporation (notes)		500,000.00	1,500,000.00		1,000,000.00	2,000,000.00
Subtotal	696,154,000.00	511,000,000.00	525,630,000.00	205,344,000.00	428,469,000.00	214,364,000.00
Total public debt receipts	12,162,064,225.16	10,151,217,975.88	10,991,176,218.07	9,821,786,895.96	11,596,609,954.96	27,177,923,832.60
EXPENDITURES						
Public issues:						
Cash:						
Treasury bills	4,054,621,000.00	5,858,112,000.00	4,823,564,000.00	4,843,712,000.00	6,028,492,000.00	4,880,248,000.00
Certificates of indebtedness	4,808,200.00	35,552,100.00	354,111,250.00	48,346,950.00	23,063,800.00	139,564,650.00
Certificates of indebtedness, special series						
Treasury notes	833,900.00	1,059,200.00	121,683,500.00	3,336,000.00	3,482,750.00	1,395,700.00
Treasury notes (tax and savings series):						
Cash redemptions	37,230,026.00	23,418,974.00	23,580,075.00	29,784,050.00	42,288,475.00	163,346,150.00
Received for taxes	187,763,950.00	149,633,850.00	1,108,616,075.00	200,579,750.00	124,781,450.00	1,270,662,200.00
Treasury bonds	13,565,275.00	7,099,650.00	4,914,800.00	12,307,300.00	14,317,750.00	80,394,200.00
United States savings bonds *	226,941,472.72	278,693,269.78	282,985,771.64	400,550,747.87	382,438,737.04	365,270,882.10
United States savings stamps	32,685,010.35	36,111,639.80	18,070,092.65	17,733,758.45	18,557,598.45	20,220,552.10
Depository bonds	4,468,500.00	4,029,000.00	754,000.00	5,484,000.00	4,088,000.00	3,854,000.00
Adjusted service bonds	884,850.00	623,550.00	512,850.00	485,900.00	472,250.00	578,600.00
Postal savings bonds	7,620.00	1,200.00	100.00	200.00		
Other debt items	71,900.75	94,080.25	52,609.75	29,941.00	540,224.00	151,467.75
National and Federal Reserve Bank notes	5,700,225.00	5,968,730.00	6,300,265.00	8,110,336.00	6,787,855.00	5,168,017.00
Subtotal	4,569,642,019.82	6,400,397,183.83	6,805,145,389.04	5,570,520,933.32	6,651,260,869.41	6,930,854,418.95
						5,800,924,201.18



	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
RECEIPTS—Continued							
Special Issues—Continued.							
Postal Savings System (notes)	\$83,000,000.00	\$66,000,000.00	\$64,000,000.00	\$71,000,000.00	\$89,000,000.00	\$797,000,000.00	\$472,000,000.00
Canal Zone, Postal Savings System (notes)							1,250,000.00
Government life insurance fund (notes)	107,500,000.00	112,500,000.00	218,500,000.00	283,000,000.00	560,500,000.00	500,000.00	96,827,000.00
National service life insurance fund (notes)						1,976,500,000.00	861,700,000.00
Federal Deposit Insurance Corporation (notes)	30,000,000.00	15,000,000.00	15,000,000.00	30,000,000.00	35,000,000.00	299,000,000.00	95,000,000.00
Federal Savings and Loan Insurance Corporation (notes)		1,500,000.00	500,000.00	500,000.00	1,800,000.00	10,300,000.00	26,084,000.00
Subtotal	456,691,000.00	448,535,000.00	369,428,000.00	681,079,000.00	9,466,419,000.00	14,410,119,000.00	10,410,881,000.00
Total public debt receipts	12,039,699,905.35	12,471,133,417.37	11,846,800,607.46	12,616,460,502.81	40,653,935,229.04	179,158,935,266.86	153,785,399,539.98
EXPENDITURES							
Public Issues:							
Cash:							
Treasury bills	5,239,175,000.00	6,034,039,000.00	5,129,751,000.00	6,545,266,000.00	5,244,367,000.00	63,835,002,000.00	51,146,542,000.00
Certificates of indebtedness	326,515,000.00	31,382,000.00	69,382,500.00	54,637,000.00	559,078,000.00	1,656,095,300.00	901,078,956.00
Certificates of indebtedness, special series		4,000,000.00				4,000,000.00	491,000,000.00
Treasury notes	390,500.00	279,781,200.00	9,173,550.00	4,768,600.00	3,039,050.00	429,160,350.00	890,402,700.00
Treasury notes (tax and savings series):							
Cash redemptions	20,639,325.00	27,039,575.00	22,525,550.00	51,428,225.00	55,230,575.00	550,202,525.00	502,065,275.00
Received for taxes	129,440,950.00	1,187,727,275.00	224,891,575.00	124,401,325.00	953,950,150.00	5,906,125,675.00	6,366,125,675.00
Treasury bonds	7,481,000.00	6,056,550.00	4,331,200.00	5,764,400.00	8,046,950.00	188,857,375.00	485,059,300.00
United States savings bonds <sup>6</sup>	323,105,459.01	463,777,074.19	403,574,614.64	426,457,513.77	403,160,610.12	4,298,352,717.21	2,370,883,252.58
United States savings stamps	16,713,574.45	25,554,753.20	25,414,027.65	28,577,853.50	27,767,426.70	287,330,612.35	425,761,786.65
Depository bonds	7,287,750.00	4,657,000.00	6,336,000.00	14,749,000.00	2,515,000.00	63,712,250.00	37,440,000.00
Adjusted service bonds	408,550.00	448,700.00	379,700.00	323,600.00	107,560,300.00	113,447,700.00	5,998,950.00
Postal Savings bonds	2,400.00	200.00	1,000.00	2,000.00		96,360.00	38,020.00
Other debt items	412,796.00	43,415.25	271,891.00	103,806.50	64,869.50	2,161,763.50	2,015,348.52
National and Federal Reserve Bank notes	5,679,505.00	5,638,980.00	7,101,157.00	5,827,670.00	5,193,340.00	77,034,350.00	70,019,841.00
Subtotal	6,077,251,809.46	8,070,145,722.64	5,903,133,765.29	7,262,306,993.77	7,369,973,271.32	77,411,556,578.06	63,693,431,098.75

Footnotes at end of table.

TABLE 24.—Public debt receipts and expenditures, monthly, July 1944 through June 1945, with totals for the fiscal years 1944 and 1945 1—Con.

	Fiscal year 1945						
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944	January 1945
EXPENDITURES—Continued							
Public issues—Continued.							
Exchanges:							
Certificates of indebtedness		\$2,510,959,000.00	\$3,693,537,000.00	\$3,491,572,000.00	\$610,000.00	\$3,415,211,000.00	
Treasury notes			787,774,500.00			735,076,300.00	\$6,534,700.00
Treasury bonds					168,900,000.00		
Subtotal		2,510,959,000.00	4,481,311,500.00	3,491,572,000.00	169,510,000.00	4,150,287,300.00	6,534,700.00
Special issues:							
Adjusted service certificate fund (certificates)							
Government life insurance fund (certificates)			300,000.00	200,000.00	180,000.00	5,200,000.00	20,010,000.00
Unemployment trust fund (certificates)						150,000,000.00	
Federal old-age and survivors insurance trust fund (certificates)	\$12,000,000.00					5,000,000.00	13,000,000.00
Federal old-age and survivors insurance trust fund (notes)	10,000,000.00	11,000,000.00	11,000,000.00	11,000,000.00	12,000,000.00	11,000,000.00	12,000,000.00
Civil service retirement fund (notes)					3,000,000.00		
Foreign service retirement fund (notes)	60,000.00	40,000.00	20,000.00	40,000.00	15,000.00	50,000.00	15,000.00
Canal Zone retirement fund (notes)	130,000.00	50,000.00	22,000.00	115,000.00			
Alaska Railroad retirement fund (notes)	25,000.00	25,000.00				200,000,000.00	
Postal Savings System (notes)							
Government life insurance fund (notes)							
National service life insurance fund (notes)						100,000,000.00	
Federal Deposit Insurance Corporation (notes)							
Federal Savings and Loan Insurance Corporation (notes)							
Subtotal	22,215,000.00	11,115,000.00	11,342,000.00	11,355,000.00	15,195,000.00	471,250,000.00	45,025,000.00
Total public debt expenditures	4,591,857,019.82	8,922,471,183.83	11,297,798,889.04	9,073,447,933.32	6,835,965,869.44	11,552,391,718.95	5,852,483,901.18
Excess of receipts or expenditures (—)	7,570,207,205.34	1,228,746,792.05	—306,622,670.97	748,338,962.64	4,760,644,085.52	15,625,532,113.65	1,777,582,601.02

	Fiscal year 1945					Total fiscal year 1945	Total fiscal year 1944
	February 1945	March 1945	April 1945	May 1945	June 1945		
<b>EXPENDITURES—Continued</b>							
Public issues—Continued.							
Exchanges:							
Certificates of indebtedness.....	\$4,648,577,000.00	\$4,147,310,000.00	\$4,810,554,000.00	\$1,579,292,000.00	\$4,187,107,000.00	\$28,337,419,000.00	\$15,653,394,000.00
Treasury notes.....	85,000.00	10,000.00				4,935,084,500.00	752,617,100.00
Treasury bonds.....						910,606,000.00	2,384,254,450.00
Subtotal.....	4,648,662,000.00	4,147,320,000.00	4,810,554,000.00	1,579,292,000.00	4,187,107,000.00	34,183,109,500.00	18,790,265,550.00
Special issues:							
Adjusted service certificate fund (certificates).			1,500,000.00		4,000,000.00	31,300,000.00	19,778,000.00
Government life insurance fund (certificates).					85,992,000.00	85,992,000.00	
Unemployment trust fund (certificates)					6,987,000,000.00	6,987,000,000.00	5,669,000,000.00
Federal old-age and survivors insurance trust fund (certificates)						800,000,000.00	
Federal old-age and survivors insurance trust fund (notes)							
Railroad retirement account (notes)	12,000,000.00	11,500,000.00	12,000,000.00	12,000,000.00	725,900,000.00	725,900,000.00	307,000,000.00
Civil service retirement fund (notes)	2,090,000.00				12,000,000.00	137,500,000.00	128,000,000.00
Foreign service retirement fund (notes)	25,000.00	40,000.00			146,638,000.00	151,728,000.00	125,509,000.00
Canal Zone retirement fund (notes)			35,000.00	40,000.00	1,222,000.00	1,602,000.00	872,000.00
Alaska Railroad retirement fund (notes)		30,000.00	115,000.00	50,000.00	1,328,000.00	1,328,000.00	624,000.00
Postal Savings System (notes)			10,000.00		169,000.00	229,000.00	196,000.00
Government life insurance fund (notes)					400,000,000.00	600,000,000.00	405,000,000.00
National service life insurance fund (notes)						2,800,000.00	132,927,000.00
Federal Deposit Insurance Corporation (notes)					200,000,000.00	300,000,000.00	100,000,000.00
Federal Savings and Loan Insurance Corporation (notes)							105,500,000.00
Subtotal.....	14,115,000.00	11,570,000.00	13,660,000.00	12,090,000.00	9,246,537,000.00	9,885,469,000.00	6,994,406,000.00
Total public debt expenditures.....	10,740,028,809.46	12,229,035,722.64	10,727,347,765.29	8,853,688,983.77	20,803,617,271.32	121,480,135,078.06	89,478,102,648.75
Excess of receipts.....	1,299,671,095.89	242,097,694.73	1,119,512,842.17	3,762,771,509.04	19,850,317,957.72	57,678,800,188.80	64,307,296,891.23

<sup>a</sup> Counter entry (deduct).

<sup>b</sup> For figures for fiscal years 1933 to 1936, see annual report for 1937, p. 336, and for later years see corresponding tables in subsequent reports.

<sup>c</sup> Includes accrued discount.

<sup>d</sup> Includes \$394,889,000 of 7½% Treasury certificates of indebtedness of Series A-1946 issued in exchange for 1½% Commodity Credit Corporation notes of Series G-1945, maturing on Feb. 15, 1945.

<sup>e</sup> These are 0.90% Treasury notes of Series D-1946 issued in exchange for 1½% Home Owners' Loan Corporation bonds of Series M-1945-47 called for redemption June 1, 1945.

This transaction is also reflected in the total figure for the fiscal year 1945.

<sup>f</sup> Includes in the respective classifications \$1,857,929,950 of 1½% Treasury notes of Series A-1948, \$50,705,150 of 2¼% Treasury bonds of 1956-59, and \$34,947,350 of 2½% Treasury bonds of 1965-70, exchanged for \$75,800,700 of 3¼% Federal Farm Mortgage Corporation bonds of 1944-64, called for redemption on Mar. 15, 1944, \$704,924,700 of 3% Federal Farm Mortgage Corporation bonds of 1944-49, called for redemption on May 15, 1944, \$559,124,000 of 1% Reconstruction Finance Corporation notes of Series W, maturing Apr. 15, 1944, and \$803,733,050 of 3% Home Owners' Loan Corporation bonds, Series A-1944-52, called for redemption on May 1, 1944.

<sup>g</sup> Includes redemptions of matured savings bonds beginning in March 1945.

TABLE 25.—*Changes in the public debt by issues, fiscal year 1945*  
 [On basis of Public Debt accounts, see p. 437]

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>INTEREST-BEARING DEBT</b>						
<b>Public Issues</b>						
<b>Bonds:</b>						
3% Panama Canal loan of 1961.....	\$49,800,000.00					\$49,800,000.00
3% Conversion bonds of 1946.....	15,761,000.00					15,761,000.00
3% Conversion bonds of 1947.....	13,133,500.00					13,133,500.00
2½% postal savings bonds (twenty-seventh to forty-ninth series).....	117,232,360.00			\$93,450.00	\$8,660.09	117,130,240.00
Total postal savings bonds, etc.....	195,926,860.00			93,460.00	8,660.00	195,824,740.00
<b>Treasury bonds:</b>						
4¼% of 1947-52.....	758,945,800.00					758,945,800.00
4% of 1944-54.....	1,036,692,400.00			1,015,836,200.00	20,856,200.00	489,080,100.00
3¾% of 1946-56.....	489,080,100.00					818,627,000.00
3½% of 1946-49.....	818,627,000.00					755,431,000.00
3% of 1951-55.....	755,431,000.00					1,033,873,400.00
3% of 1946-48.....	1,035,873,400.00					491,375,100.00
3½% of 1949-52.....	491,375,100.00					2,611,092,150.00
2½% of 1955-60.....	2,611,092,150.00					1,214,428,950.00
2½% of 1945-47.....	1,214,428,950.00					1,223,495,850.00
2½% of 1948-51.....	1,223,495,850.00					1,626,687,150.00
2½% of 1951-54.....	1,626,687,150.00					981,826,050.00
2½% of 1956-59.....	981,826,050.00					1,786,126,950.00
2½% of 1949-53.....	1,786,126,950.00					540,843,550.00
2½% of 1945.....	540,843,550.00					450,978,400.00
2½% of 1948.....	450,978,400.00					918,780,600.00
2½% of 1958-63.....	918,780,600.00					1,185,841,200.00
2½% of 1950-52.....	1,185,841,200.00					1,485,384,600.00
2½% of 1960-65.....	1,485,384,600.00					701,072,900.00
2% of 1947.....	701,072,900.00					571,431,150.00
2% of 1948-50 (dated Dec. 8, 1939).....	571,431,150.00					1,118,051,100.00
2¼% of 1951-53.....	1,118,051,100.00					1,880,692,350.00
2¼% of 1954-56.....	1,880,692,350.00					724,677,900.00
2% of 1953-55.....	724,677,900.00			500.00		1,115,367,900.00
2% of 1948-50 (dated Mar. 15, 1941).....	1,115,368,400.00					1,023,968,350.00
2½% of 1952-54.....	1,023,968,350.00					1,448,747,650.00
2½% of 1956-58.....	1,448,747,650.00					2,716,044,150.00
2½% of 1967-72 (dated Oct. 20, 1941).....	2,716,044,150.00			1,000.00		510,413,950.00
2% of 1951-55.....	510,413,950.00					1,014,018,900.00
2% of 1949-51 (dated Jan. 15, 1942).....	1,014,018,900.00					



2 1/4 % of 1952-55	1,500,781,300.00				1,500,781,300.00
2 1/2 % of 1952-57	2,118,153,500.00				2,118,153,500.00
2 % of 1949-51 (dated May 15, 1942)	1,292,444,100.00				1,292,444,100.00
2 % of 1949-51 (dated July 15, 1942)	2,097,617,600.00				2,097,617,600.00
2 % of 1950-52 (dated Oct. 19, 1942)	1,962,688,300.00				1,962,688,300.00
1 1/2 % of 1948	3,061,856,000.00				3,061,856,000.00
2 % of 1963-68	2,830,889,000.00				2,830,889,000.00
2 1/2 % of 1950-52 (dated April 15, 1943)	4,639,261,000.00				4,639,261,000.00
2 1/2 % of 1961-69 (dated April 15, 1943)	3,761,004,000.00				3,761,004,000.00
2 1/2 % of 1951-53	7,986,262,500.00				7,986,262,500.00
2 1/2 % of 1964-69 (dated Sept. 15, 1943)	3,838,198,000.00				3,838,198,000.00
2 1/2 % of 1950-59	3,822,558,500.00				3,822,558,500.00
2 1/2 % of 1965-70	4,792,258,000.00				4,792,258,000.00
2 % of 1952-54 (dated June 26, 1944)	4,244,813,500.00				4,244,813,500.00
2 % of 1952-54 (dated Dec. 1, 1944)					
2 % of 1966-71					
1 1/2 % of 1950					
2 1/2 % of 1959-62					
2 1/2 % of 1967-72 (dated June 1, 1945)					
Total Treasury bonds	79,285,283,350.00				79,285,283,350.00
United States savings bonds:1					
Series A-1935	178,951,319.50				178,951,319.50
Series B-1936	318,590,464.00				318,590,464.00
Series C-1937	405,858,182.75				405,858,182.75
Series C-1938	487,549,038.75				487,549,038.75
Series D-1939	800,276,407.75				800,276,407.75
Series D-1940	983,769,958.50				983,769,958.50
Series D-1941	442,965,502.50				442,965,502.50
Total, Series A to D	3,623,960,853.75				3,623,960,853.75
Series E-1941	1,240,397,180.67				1,240,397,180.67
Series E-1942	5,347,221,514.20				5,347,221,514.20
Series E-1943	8,896,035,382.02				8,896,035,382.02
Series E-1944	5,458,138,044.00				5,458,138,044.00
Series E-1945					
Total, Series E	20,941,792,120.89				20,941,792,120.89
Series F-1941	219,337,070.74				219,337,070.74
Series F-1942	617,682,152.23				617,682,152.23
Series F-1943	709,503,560.80				709,503,560.80
Series F-1944	449,275,757.00				449,275,757.00
Series F-1945					
Total, Series F	1,995,798,540.77				1,995,798,540.77
Series G-1941	1,217,211,900.00				1,217,211,900.00
Series G-1942	2,401,366,800.00				2,401,366,800.00

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>INTEREST-BEARING DEBT—Continued</b>						
<b>Public Issues—Continued</b>						
<b>Bonds—Continued.</b>						
United States savings bonds 1—Continued.						
Series G-1943.....	\$2,549,923,700.00	\$227,000.00		\$78,860,200.00		\$2,471,290,500.00
Series G-1944.....	1,692,136,100.00	1,200,074,000.00		53,098,400.00		2,839,111,700.00
Series G-1945.....		1,457,771,700.00		828,000.00		1,456,948,700.00
Total, Series G.....	7,860,638,500.00	2,658,115,400.00		220,281,100.00		10,298,472,800.00
Unclassified sales and redemptions.....	170,364,739.52	25,009,663.31		53,173,709.34		92,181,366.87
Total, United States savings bonds.....	34,592,554,754.93	15,274,953,700.13		4,316,613,486.50	\$22,436,863.00	45,528,458,105.56
2% depositary bonds:						
First series.....	385,080,750.00	84,144,000.00		58,049,750.00		411,155,000.00
Second series.....	89,261,000.00	9,780,500.00		5,662,500.00		93,379,000.00
Total, depositary bonds.....	474,321,750.00	93,924,500.00		63,712,250.00		504,534,000.00
3% adjusted service bonds of 1945.....	217,172,900.00	5,519,950.00		124,244,050.00	98,448,800.00	
<b>Treasury notes:</b>						
Regular series:						
1% series C-1944.....	283,006,000.00			282,198,100.00	807,900.00	
3/4% series A-1945.....	718,011,200.00			710,416,500.00	7,594,700.00	
1 1/4% series C-1945.....	1,606,204,500.00			1,605,375,000.00	828,900.00	
0.90% series D-1945.....	2,126,896,000.00			2,126,832,000.00	64,000.00	
1% series A-1946.....	502,866,000.00	787,774,500.00				1,290,640,500.00
1 1/2% series B-1946.....	3,260,777,000.00					3,260,777,000.00
0.90% series C-1946.....		3,415,821,000.00				3,415,821,000.00
0.90% series D-1946.....		4,909,267,000.00				4,909,267,000.00
1 1/2% series A-1947.....	2,707,289,000.00					2,707,289,000.00
1 1/4% series B-1947.....	1,288,266,000.00	659,788,000.00				1,948,054,000.00
1 1/2% series C-1947.....		1,687,244,000.00				1,687,244,000.00
1 1/2% series A-1948.....	3,747,702,000.00					3,747,702,000.00
National defense series:						
3 1/2% series D-1944.....	635,064,400.00			634,810,900.00	253,500.00	
3 1/2% series B-1945.....	530,837,700.00			500.00		530,837,200.00
Tax series:						
A-1945.....	109,636,300.00			40,815,400.00		68,220,900.00

[illegible]

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>INTEREST-BEARING DEBT—Continued</b>						
<b>Public Issues—Continued</b>						
Treasury bills (maturity value)—Continued.						
Regular series maturing—Continued.						
Nov. 16, 1944		\$1,205,776,000.00		\$1,205,776,000.00		
Nov. 24, 1944		1,269,947,000.00		1,269,922,000.00	\$25,000.00	
Nov. 30, 1944		1,210,155,000.00		1,210,155,000.00		
Dec. 7, 1944		1,206,893,000.00		1,206,893,000.00		
Dec. 14, 1944		1,214,794,000.00		1,214,794,000.00		
Dec. 21, 1944		1,215,529,000.00		1,215,529,000.00		
Dec. 28, 1944		1,218,184,000.00		1,218,184,000.00		
Jan. 4, 1945		1,217,970,000.00		1,217,994,000.00	6,000.00	
Jan. 11, 1945		1,312,571,000.00		1,312,203,000.00	368,000.00	
Jan. 18, 1945		1,313,861,000.00		1,313,860,000.00	1,000.00	
Jan. 25, 1945		1,308,901,000.00		1,308,901,000.00		
Feb. 1, 1945		1,311,028,000.00		1,311,028,000.00		
Feb. 8, 1945		1,314,251,000.00		1,314,251,000.00		
Feb. 15, 1945		1,300,604,000.00		1,300,594,000.00	10,000.00	
Feb. 22, 1945		1,313,528,000.00		1,313,528,000.00		
Mar. 1, 1945		1,203,070,000.00		1,203,676,000.00		
Mar. 8, 1945		1,204,806,000.00		1,204,806,000.00	90,000.00	
Mar. 15, 1945		1,217,016,000.00		1,206,502,000.00	114,000.00	
Mar. 22, 1945		1,217,168,000.00		1,217,168,000.00		
Mar. 29, 1945		1,202,262,000.00		1,202,012,000.00	250,000.00	
Apr. 5, 1945		1,204,947,000.00		1,204,947,000.00		
Apr. 12, 1945		1,302,998,000.00		1,302,998,000.00	2,000.00	
Apr. 19, 1945		1,302,604,000.00		1,302,519,000.00	85,000.00	
Apr. 26, 1945		1,318,361,000.00		1,318,361,000.00		
May 3, 1945		1,315,758,000.00		1,315,738,000.00	20,000.00	
May 10, 1945		1,310,176,000.00		1,310,176,000.00		
May 17, 1945		1,300,100,000.00		1,300,045,000.00	55,000.00	
May 24, 1945		1,314,172,000.00		1,308,721,000.00		
May 31, 1945		1,310,168,000.00		1,313,672,000.00	500,000.00	
June 7, 1945		1,316,109,000.00		1,309,758,000.00	410,000.00	
June 14, 1945		1,302,532,000.00		1,315,816,000.00	293,000.00	
June 21, 1945		1,314,043,000.00		1,302,142,000.00	390,000.00	
June 28, 1945		1,317,065,000.00		1,311,227,000.00	2,816,000.00	
July 5, 1945		1,303,940,000.00				\$1,317,065,000.00
July 12, 1945		1,318,179,000.00				1,303,940,000.00
July 19, 1945		1,310,260,000.00				1,318,179,000.00
July 26, 1945		1,314,334,000.00				1,310,260,000.00
Aug. 2, 1945						1,314,334,000.00



Aug. 9, 1945.....	1,307,423,000.00				1,307,423,000.00
Aug. 16, 1945.....	1,307,396,000.00				1,307,396,000.00
Aug. 23, 1945.....	1,313,084,000.00				1,313,084,000.00
Aug. 30, 1945.....	1,314,409,000.00				1,314,409,000.00
Sept. 6, 1945.....	1,302,298,000.00				1,302,298,000.00
Sept. 13, 1945.....	1,309,707,000.00				1,309,707,000.00
Sept. 20, 1945.....	1,305,337,000.00				1,305,337,000.00
Sept. 27, 1945.....	1,317,766,000.00				1,317,766,000.00
Total Treasury bills.....	14,734,204,000.00	66,137,196,000.00	63,824,552,000.00	5,590,000.00	17,041,258,000.00
<b>Special Issues</b>					
Bonds:					
Adjusted service bonds (Government life insurance fund).....	500,157,956.40				500,157,956.40
Treasury notes:					
Federal old-age and survivors insurance trust fund series.....	4,385,500,000.00		725,000,000.00		3,659,600,000.00
Railroad retirement fund series.....	318,500,000.00	319,500,000.00	137,500,000.00		500,500,000.00
Civil service retirement fund series:					
4% series.....	1,449,000,000.00	548,100,000.00	151,400,000.00		1,845,700,000.00
3% series.....	1,913,000.00	955,000.00	328,000.00		2,570,000.00
Foreign service retirement fund series:					
4% series.....	7,012,000.00	2,410,000.00	1,602,000.00		7,820,000.00
3% series.....		16,000.00			16,000.00
Canal Zone retirement fund series:					
4% series.....	9,169,000.00	2,377,000.00	1,328,000.00		10,218,000.00
3% series.....	18,000.00	62,000.00			80,000.00
Alaska Railroad retirement fund series.....	1,755,000.00	385,000.00	229,000.00		1,911,000.00
Postal Savings System series.....	284,000,000.00	797,000,000.00	600,000,000.00		461,000,000.00
Canal Zone Postal Savings System series.....	3,500,000.00				3,500,000.00
Government life insurance fund series.....	1,900,000.00	500,000.00			2,400,000.00
National service life insurance fund series.....	1,213,425,000.00	1,976,500,000.00	2,800,000.00		3,187,125,000.00
Federal Deposit Insurance Corporation series.....	98,000,000.00	299,000,000.00	300,000,000.00		97,000,000.00
Federal Savings and Loan Insurance Corporation series.....	26,662,000.00	10,300,000.00			36,962,000.00
Certificates of indebtedness:					
Adjusted service certificate fund series.....	16,890,000.00	29,000,000.00	31,390,000.00		14,500,000.00
Government life insurance fund series.....		171,984,000.00	85,992,000.00		85,992,000.00
Unemployment trust fund series.....	5,610,000,000.00	8,124,000,000.00	6,987,000,000.00		6,747,000,000.00
Federal old-age and survivors insurance trust fund series.....	380,000,000.00	2,128,000,000.00	860,000,000.00		1,648,000,000.00
Special short-term.....		4,000,000.00	4,000,000.00		
Total special issues.....	14,287,401,956.40	14,414,119,000.00	9,889,469,000.00		18,812,051,956.40
Total all interest-bearing securities.....	199,573,220,671.33	177,943,142,650.13	121,006,352,646.50	213,432,523.00	256,296,578,151.96

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED</b>						
Postal savings bonds, etc.:						
6% Oregon war debt.....	\$2,100.00					\$2,100.00
6% Compound interest notes (1864-66) 3	156,200.00					156,200.00
4% Refunded loan of 1907 (refunding).....	343,200.00			\$200.00		343,000.00
4% Refunding certificates of 1879.....	8,200.00			20.00		8,200.00
5% 1-year notes of 1863.....	29,620.00					29,600.00
6% Consols of 1867.....	83,650.00					83,650.00
4½% Funded loan of 1891 (refunding).....	18,700.00					18,700.00
5% Loan of 1904.....	13,000.00					13,000.00
3% Loan of 1908-18.....	101,040.00			340.00		100,700.00
4% Loan of 1925.....	8,650.00			100.00		8,550.00
2½% Postal savings bonds.....	27,820.00		\$8,660.00	2,900.00		33,580.00
2% Consols of 1930.....	27,800.00					27,800.00
2% Panama Canal loan of 1916-36.....	100.00					100.00
2% Panama Canal loan of 1918-38.....	20.00					20.00
All other issues 4.....	605,010.25					605,010.25
Total postal savings bonds, etc.....	1,425,410.25		8,660.00	3,560.00		1,430,510.25
Liberty Loan bonds:						
First Liberty Loan:						
First 3½'s.....	4,639,500.00			1,229,400.00		3,410,100.00
First 4's.....	123,300.00			3,160.00		120,150.00
First 4½'s.....	1,208,750.00			80,050.00		1,128,700.00
First-second 4½'s.....	4,500.00			300.00		4,200.00
Total.....	5,976,050.00			1,312,900.00		4,663,150.00
Second Liberty Loan:						
Second 4's.....	427,200.00			6,550.00		420,650.00
Second 4½'s.....	534,850.00			13,000.00		521,850.00
Total.....	962,050.00			19,550.00		942,500.00
Third Liberty Loan 4½'s.....	1,600,700.00			50,850.00		1,549,850.00
Fourth Liberty Loan 4½'s.....	7,499,200.00			762,200.00		6,737,000.00
Total Liberty Loan bonds.....	16,038,000.00			2,145,500.00		13,892,500.00

Victory notes: Victory 3 $\frac{1}{2}$ 's Victory 4 $\frac{1}{2}$ 's	800.00 508, 150.00			8, 550.00	800.00 499, 000.00
Total Victory notes	508, 950.00			8, 550.00	500, 400.00*
Treasury bonds: 3 $\frac{1}{2}$ 's of 1940-43 3 $\frac{1}{2}$ 's of 1941-43 3 $\frac{1}{2}$ 's of 1941 3 $\frac{1}{2}$ 's of 1943-47 3 $\frac{1}{2}$ 's of 1943-45 3 $\frac{1}{2}$ 's of 1944-46 4's of 1944-54	1, 128, 350.00 894, 000.00 522, 400.00 6, 238, 350.00 24, 338, 400.00 77, 656, 050.00			151, 150.00 148, 600.00 116, 200.00 3, 191, 850.00 17, 005, 150.00 62, 182, 250.00	977, 200.00 745, 400.00 406, 200.00 3, 046, 500.00 7, 333, 250.00 15, 473, 800.00 20, 856, 200.00
Total Treasury bonds	110, 777, 550.00			82, 795, 200.00	48, 838, 550.00
3% Adjusted service bonds of 1945					98, 448, 800.00
United States savings bonds, Series A-1935				22, 436, 863.00	22, 436, 863.00
Treasury notes: Regular series: 5 $\frac{1}{2}$ %-A-1924 4 $\frac{1}{2}$ %-A-1925 4 $\frac{1}{2}$ %-B-1925 4 $\frac{1}{2}$ %-C-1925 4 $\frac{1}{2}$ %-A-1926 4 $\frac{1}{2}$ %-B-1926 4 $\frac{1}{2}$ %-A-1927 4 $\frac{1}{2}$ %-B-1927 3 $\frac{1}{2}$ %-A-1930-32 3 $\frac{1}{2}$ %-B-1930-32 3 $\frac{1}{2}$ %-C-1930-32 3 $\frac{1}{2}$ %-1932 3 $\frac{1}{2}$ %-A-1934 2 $\frac{1}{2}$ %-B-1934 3 $\frac{1}{2}$ %-A-1935 1 $\frac{1}{2}$ %-B-1935 2 $\frac{1}{2}$ %-C-1935 2 $\frac{1}{2}$ %-D-1935 3 $\frac{1}{2}$ %-A-1936 2 $\frac{1}{2}$ %-B-1936 2 $\frac{1}{2}$ %-C-1936 1 $\frac{1}{2}$ %-D-1936 1 $\frac{1}{2}$ %-E-1936 3 $\frac{1}{2}$ %-A-1937 3 $\frac{1}{2}$ %-B-1937 3 $\frac{1}{2}$ %-C-1937 2 $\frac{1}{2}$ %-A-1938	16, 200.00 5, 000.00 27, 400.00 6, 500.00 2, 800.00 7, 300.00 8, 600.00 12, 200.00 92, 700.00 63, 250.00 30, 550.00 24, 700.00 2, 500.00 55, 000.00 7, 000.00 1, 301, 900.00 11, 000.00 83, 000.00 116, 100.00 32, 600.00 101, 900.00 800.00 6, 300.00 156, 100.00 62, 000.00 43, 000.00 13, 000.00			700.00 50.00 6, 100.00 10, 000.00 40, 000.00 312, 500.00 1, 000.00 3, 000.00 50, 800.00 12, 500.00 3, 600.00 11, 500.00 2, 000.00 23, 000.00 1, 000.00	16, 200.00 5, 000.00 27, 400.00 6, 500.00 2, 800.00 7, 300.00 8, 600.00 12, 200.00 92, 000.00 63, 200.00 24, 450.00 14, 700.00 2, 500.00 15, 000.00 7, 000.00 984, 400.00 10, 000.00 80, 000.00 65, 300.00 20, 000.00 98, 300.00 800.00 6, 300.00 144, 600.00 60, 000.00 20, 000.00 12, 000.00

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued</b>						
Treasury notes—Continued.						
Regular series—Continued.						
2½%—B-1938	\$42,800.00			\$500.00		\$42,300.00
3½%—C-1938	255,000.00					255,000.00
1½%—D-1938	61,350.00			18,800.00		42,550.00
1½%—E-1938	1,000.00					1,000.00
2½%—A-1939	140,200.00			51,000.00		89,200.00
1½%—B-1939	55,800.00			5,000.00		50,800.00
1½%—C-1939	252,400.00			52,000.00		200,400.00
1½%—D-1939	8,000.00			7,500.00		500.00
1½%—A-1940	553,100.00			18,500.00		534,600.00
1½%—B-1940	183,100.00			104,000.00		85,100.00
1½%—C-1940	58,200.00			11,400.00		46,800.00
1½%—A-1941	423,100.00			2,200.00		420,900.00
1½%—B-1941	4,135,600.00			178,000.00		3,957,600.00
1½%—C-1941	1,007,700.00			15,600.00		992,100.00
1½%—A-1942	425,700.00			49,700.00		376,000.00
2½%—B-1942	384,100.00			74,800.00		309,300.00
1½%—C-1942	357,700.00			79,600.00		278,100.00
1½%—A-1943	726,700.00			263,100.00		463,600.00
1½%—B-1943	620,000.00			371,700.00		248,300.00
1½%—C-1943	955,000.00			247,800.00		707,200.00
3½%—D-1943	12,300.00			200.00		12,100.00
3½%—A-1944	2,427,100.00			1,803,100.00		624,000.00
1½%—B-1944	1,928,900.00			744,500.00		1,184,400.00
1½%—C-1944			\$807,900.00			807,900.00
3½%—D-1944 (National Defense series)			253,500.00			253,500.00
3½%—A-1945			7,594,700.00			7,594,700.00
1½%—C-1945			828,900.00			828,900.00
0.90%—D-1945			64,000.00			64,000.00
Tax series:						
A-1943	801,525.00			427,800.00		373,725.00
B-1943	2,765,100.00			1,943,800.00		821,300.00
A-1944	2,267,925.00			1,327,575.00		940,350.00
B-1944	19,276,300.00			15,837,600.00		3,438,700.00
Total Treasury notes	42,421,000.00		9,549,000.00	24,113,525.00		27,856,475.00



## Certificates of indebtedness:

## Tax issues, series:

4½% T-10.....	1,000.00				1,000.00
4¾% T-10.....	500.00				500.00
4¾% T-10.....	500.00				500.00
6% T-1921.....	1,500.00				1,500.00
6% T-1921.....	1,500.00				1,500.00
6% T-1921.....	2,000.00				2,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	500.00				500.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	500.00				500.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	3,500.00				3,500.00
6% T-1921.....	1,700.00				1,700.00
6% T-1921.....	1,500.00				1,500.00
6% T-1921.....	53,000.00				53,000.00
6% T-1921.....	2,500.00				2,500.00
6% T-1921.....	63,500.00				63,500.00
6% T-1921.....	11,500.00				11,500.00
6% T-1921.....	2,000.00				2,000.00
6% T-1921.....	4,000.00				4,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	25,000.00				25,000.00
6% T-1921.....	125,000.00				125,000.00
6% T-1921.....	4,000.00				4,000.00
6% T-1921.....	10,000.00				10,000.00
6% T-1921.....	3,250.00				3,250.00
6% T-1921.....	15,500.00				15,500.00
6% T-1921.....	3,000.00				3,000.00
6% T-1921.....	12,000.00				12,000.00
6% T-1921.....	462,000.00				462,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	43,500.00				43,500.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	4,500.00				4,500.00
6% T-1921.....	500.00				500.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	500.00				500.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	1,000.00				1,000.00
6% T-1921.....	3,500.00				3,500.00
6% T-1921.....	85,000.00				85,000.00
6% T-1921.....	30,000.00				30,000.00
6% T-1921.....	83,000.00				83,000.00
6% T-1921.....	4,000.00				4,000.00
6% T-1921.....	74,000.00				74,000.00
6% T-1921.....	1,106,000.00				1,106,000.00

## Loan series:

4½% IV A-1918.....	500.00				500.00
5½% G-1920.....	1,000.00				1,000.00
5½% H-1921.....	500.00				500.00
5½% A-1922.....	1,000.00				1,000.00
5½% A-1933.....	3,500.00				3,500.00
5½% A-1942.....	85,000.00				85,000.00
5½% B-1943.....	30,000.00				30,000.00
5½% C-1943.....	83,000.00				83,000.00
5½% D-1943.....	4,000.00				4,000.00
5½% E-1943.....	74,000.00				74,000.00
5½% E-1943.....	1,106,000.00				1,106,000.00

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued</b>						
Certificates of indebtedness—Continued.						
Loan series—Continued.						
2½%—A-1944.....	\$601,000.00			\$570,000.00		\$31,000.00
2½%—B-1944.....	13,284,000.00			11,811,000.00		1,473,000.00
2½%—C-1944.....	415,000.00			395,000.00		20,000.00
2½%—D-1944.....						38,000.00
2½%—E-1944.....			338,000.00			4,608,000.00
2½%—F-1944.....			4,608,000.00			42,000.00
2½%—G-1944.....			22,000.00			23,000.00
2½%—A-1945.....			11,515,000.00			11,515,000.00
2½%—B-1945.....			1,514,000.00			1,514,000.00
2½%—C-1945.....			38,649,000.00			38,649,000.00
2½%—D-1945.....			94,000.00			94,000.00
Total certificates of indebtedness.....	16,631,350.00		56,543,000.00	13,898,250.00		59,276,100.00
Treasury bills, series matured:						
May 18, 1932.....	21,000.00					21,000.00
May 17, 1933.....	16,000.00					16,000.00
Dec. 31, 1935.....	10,000.00					10,000.00
June 3, 1936.....	19,000.00					19,000.00
May 12, 1937.....	15,000.00					15,000.00
June 9, 1937.....	2,000.00			2,000.00		
Sept. 15, 1937.....	1,000.00					1,000.00
Nov. 24, 1937.....	10,000.00			10,000.00		
Mar. 9, 1938.....	10,000.00					10,000.00
Apr. 27, 1938.....	200,000.00					200,000.00
June 8, 1938.....	40,000.00			40,000.00		
June 29, 1938.....	50,000.00			50,000.00		
May 31, 1939.....	300,000.00			100,000.00		200,000.00
July 12, 1939.....	1,000.00					1,000.00
Sept. 20, 1939.....	20,000.00			20,000.00		
Dec. 20, 1939.....	10,000.00			10,000.00		
Mar. 27, 1940.....	100,000.00			100,000.00		
Apr. 17, 1940.....	40,000.00					40,000.00
May 8, 1940.....	20,000.00					20,000.00
May 15, 1940.....	3,000.00					3,000.00
May 22, 1940.....	137,000.00			75,000.00		62,000.00
June 5, 1940.....	1,000.00			1,000.00		
July 3, 1940.....	20,000.00					20,000.00
Nov. 20, 1940.....						

[illegible]

Footnotes at end of table.

TABLE 25.—Changes in the public debt by issues, fiscal year 1945—Continued

Detail	Outstanding July 1, 1944	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1945
<b>MATURED DEBT ON WHICH INTEREST HAS CEASED—Continued</b>						
Treasury bills, series matured—Continued.						
Jan. 6, 1944.....	\$458,000.00			\$447,000.00		\$11,000.00
Jan. 13, 1944.....	39,000.00			36,000.00		3,000.00
Jan. 27, 1944.....	6,000.00			6,000.00		
Feb. 3, 1944.....	40,000.00			40,000.00		
Feb. 10, 1944.....	50,000.00			50,000.00		
Feb. 17, 1944.....	672,000.00			672,000.00		
Mar. 9, 1944.....	100,000.00			100,000.00		
Mar. 16, 1944.....	500,000.00			500,000.00		
Mar. 23, 1944.....	190,000.00			190,000.00		
Mar. 30, 1944.....	5,000.00			5,000.00		
Apr. 27, 1944.....	58,000.00			58,000.00		
May 4, 1944.....	101,000.00			101,000.00		
May 11, 1944.....	53,000.00			21,000.00		32,000.00
May 18, 1944.....	55,000.00			55,000.00		
May 25, 1944.....	242,000.00			242,000.00		
June 1, 1944.....	593,000.00			585,000.00		8,000.00
June 8, 1944.....	584,000.00			445,000.00		139,000.00
June 15, 1944.....	105,000.00			105,000.00		
June 22, 1944.....	450,000.00			450,000.00		
June 29, 1944.....	3,814,000.00			3,814,000.00		
July 13, 1944.....			\$25,000.00			25,000.00
Aug. 10, 1944.....			70,000.00			70,000.00
Aug. 17, 1944.....			1,000.00			1,000.00
Aug. 24, 1944.....			3,000.00			3,000.00
Aug. 31, 1944.....			6,000.00			6,000.00
Sept. 7, 1944.....			1,000.00			1,000.00
Sept. 14, 1944.....			21,000.00			21,000.00
Sept. 21, 1944.....			1,000.00			1,000.00
Sept. 28, 1944.....			1,000.00			1,000.00
Oct. 5, 1944.....			1,000.00			1,000.00
Oct. 13, 1944.....			21,000.00			21,000.00
Nov. 2, 1944.....			4,000.00			4,000.00
Nov. 24, 1944.....			25,000.00			25,000.00
Jan. 4, 1945.....			6,000.00			6,000.00
Jan. 11, 1945.....			368,000.00			368,000.00
Jan. 18, 1945.....			1,000.00			1,000.00
Feb. 15, 1945.....			10,000.00			10,000.00
Mar. 8, 1945.....			90,000.00			90,000.00
Mar. 15, 1945.....			114,000.00			114,000.00





TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*<sup>1</sup>

Date	Issue	Rate of interest	Amount issued	Amount matured or called, or redeemed prior to maturity
1944		Percent		
July 1	Postal savings bonds, series 27	2½		\$9,320.00
	Treasury bills:			
6	Issued Apr. 6, 1944	.375		1,007,677,000.00
6	Maturing Oct. 5, 1944	.375	\$1,216,273,000.00	
13	Issued Apr. 13, 1944	.375		1,014,523,000.00
13	Maturing Oct. 13, 1944	.374	1,203,823,000.00	
20	Issued Apr. 20, 1944	.375		1,013,435,000.00
20	Maturing Oct. 19, 1944	.375	1,206,589,000.00	
27	Issued Apr. 27, 1944	.375		1,015,902,000.00
27	Maturing Oct. 26, 1944	.375	1,214,382,000.00	
	United States savings bonds:			
31	Series A-1935	2.90	394,639.00	313,271.00
31	Series B-1936	2.90	1,561,966.00	512,303.50
31	Series C-1937	2.90	2,422,676.25	673,467.25
31	Series C-1938	2.90	1,516,423.25	836,430.00
31	Series D-1939	2.90	2,573,249.00	1,565,049.50
31	Series D-1940	2.90	4,070,973.00	1,988,417.00
31	Series D-1941	2.90	2,144,825.25	907,180.50
31	Series E-1941	2.90	1,843,301.28	3,489,825.75
31	Series E-1942	2.90	7,037,734.53	25,754,620.19
31	Series E-1943	2.90	8,727,240.28	76,427,414.85
31	Series E-1944	2.90	1,699,674,725.00	90,655,943.75
31	Series F-1941	2.53	207,207.10	843,097.90
31	Series F-1942	2.53	979,124.87	2,147,955.44
31	Series F-1943	2.53	442,048.02	3,750,858.09
31	Series F-1944	2.53	101,002,191.50	383,838.00
31	Series G-1941	2.50	7,500.00	2,339,900.00
31	Series G-1942	2.50	5,000.00	6,135,700.00
31	Series G-1943	2.50	2,100.00	7,123,000.00
31	Series G-1944	2.50	337,444,100.00	1,093,200.00
31	Unclassified sales and redemptions		<sup>b</sup> 13,492,955.48	
31	Depository bonds, First Series	2	8,507,000.00	4,305,000.00
31	Depository bonds, Second Series	2	3,836,000.00	163,500.00
31	Adjusted service bonds of 1945	3	164,600.00	884,850.00
31	Treasury notes, Tax Series A-1945	1.92		1,553,675.00
31	Treasury savings notes, Series C-1945	1.07		34,342,800.00
31	Treasury savings notes, Series C-1946	1.07		103,075,600.00
31	Treasury savings notes, Series C-1947	1.07	665,481,500.00	82,825,900.00
31	Miscellaneous			53,000.00
	Total, July		7,677,620,168.85	4,505,692,117.72
Aug. 1	Certificates of indebtedness, Series D-1944, redeemed in exchange for certificates of indebtedness, Series E-1945	7½		2,510,959,000.00
1	Certificates of indebtedness, Series D-1944	7½		34,433,000.00
1	Certificates of indebtedness, Series E-1945	7½	2,510,959,000.00	
	Treasury bills:			
3	Issued May 4, 1944	.374		1,017,106,000.00
3	Maturing Nov. 2, 1944	.375	1,214,112,000.00	
10	Issued May 11, 1944	.375		1,206,949,000.00
10	Maturing Nov. 9, 1944	.375	1,210,910,000.00	
17	Issued May 18, 1944	.375		1,206,312,000.00
17	Maturing Nov. 16, 1944	.375	1,205,776,000.00	
24	Issued May 25, 1944	.375		1,214,114,000.00
24	Maturing Nov. 24, 1944	.375	1,209,947,000.00	
31	Issued June 1, 1944	.375		1,215,335,000.00
31	Maturing Nov. 30, 1944	.375	1,210,155,000.00	
	United States savings bonds:			
31	Series A-1935	2.90	217,106.00	221,152.00
31	Series B-1936	2.90	896,686.50	452,020.00
31	Series C-1937	2.90	1,191,654.50	759,015.50
31	Series C-1938	2.90	827,130.75	738,004.25
31	Series D-1939	2.90	1,342,201.25	1,398,423.00
31	Series D-1940	2.90	1,655,909.25	2,000,303.75
31	Series D-1941	2.90	1,993,266.25	999,735.00
31	Series E-1941	2.90	1,342,157.25	3,755,266.00
31	Series E-1942	2.90	5,800,681.41	30,301,858.87
31	Series E-1943	2.90	8,013,088.75	88,747,228.24
31	Series E-1944	2.90	526,947,377.50	122,903,325.62
31	Series F-1941	2.53	140,713.00	790,562.80
31	Series F-1942	2.53	497,074.32	3,278,819.23
31	Series F-1943	2.53	263,001.27	3,024,661.02
31	Series F-1944	2.53	17,761,927.00	520,534.50
31	Series G-1941	2.50	1,500.00	2,676,000.00
31	Series G-1942	2.50	15,400.00	6,480,100.00
31	Series G-1943	2.50	3,700.00	7,514,800.00

Footnotes at end of table.

TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*—Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1944	United States savings bonds—Continued.	Percent		
Aug. 31	Series G-1944.....	2.50	85,251,400.00	2,131,400.00
31	Unclassified sales and redemptions.....		\$29,778,577.21	
31	Depository bonds, First Series.....	2	4,455,000.00	1,360,000.00
31	Depository bonds, Second Series.....	2	1,620,500.00	2,699,000.00
31	Adjusted service bonds of 1945.....	3	182,100.00	623,550.00
31	Tax series, A-1945.....	1.92		727,175.00
31	Treasury savings notes, Series C-1945.....	1.07		\$1,834,700.00
31	Treasury savings notes, Series C-1946.....	1.07	25,000.00	73,923,900.00
31	Treasury savings notes, Series C-1947.....	1.07	201,417,700.00	98,955,400.00
31	Miscellaneous.....			500,000.00
	Total, August.....		9,393,942,697.80	8,860,825,534.78
Sept. 1	Certificates of indebtedness, Series E-1944, redeemed in exchange for certificates of indebtedness, Series F-1945.....	$\frac{7}{8}$		3,693,537,000.00
1	Certificates of indebtedness, Series E-1944.....	$\frac{7}{8}$		428,246,000.00
1	Certificates of indebtedness, Series F-1945.....	$\frac{7}{8}$	3,693,537,000.00	
7	Treasury bills, issued June 8, 1944.....	.375		1,202,620,000.00
7	Treasury bills, maturing Dec. 7, 1944.....	.375	1,206,893,000.00	
14	Treasury bills, issued June 15, 1944.....	.375		1,200,955,000.00
14	Treasury bills, maturing Dec. 14, 1944.....	.375	1,214,794,000.00	
15	Treasury notes, Series C-1944, redeemed in exchange for Treasury notes, Series A-1946.....	1		185,416,900.00
15	Treasury notes, Series C-1944.....	1		97,589,100.00
15	Treasury notes, Series D-1944, redeemed in exchange for Treasury notes, Series A-1946.....	$\frac{3}{4}$		602,357,600.00
15	Treasury notes, Series D-1944.....	$\frac{3}{4}$		32,706,800.00
15	Treasury notes, Series A-1946 (additional issue).....	1	787,774,500.00	
21	Treasury bills, issued June 22, 1944.....	.375		1,211,582,000.00
21	Treasury bills, maturing Dec. 21, 1944.....	.375	1,215,529,000.00	
28	Treasury bills, issued June 29, 1944.....	.375		1,207,844,000.00
28	Treasury bills, maturing Dec. 28, 1944.....	.375	1,218,184,000.00	
	United States savings bonds:			
30	Series A-1935.....	2.90	896,535.50	243,756.50
30	Series B-1936.....	2.90	970,288.00	434,427.00
30	Series C-1937.....	2.90	1,057,457.25	572,246.00
30	Series C-1938.....	2.90	788,051.75	733,788.25
30	Series D-1939.....	2.90	1,136,388.25	1,167,420.50
30	Series D-1940.....	2.90	2,045,307.00	1,639,304.50
30	Series D-1941.....	2.90	628,383.00	729,763.75
30	Series E-1941.....	2.90	1,303,590.22	3,701,088.91
30	Series E-1942.....	2.90	5,557,030.75	28,925,822.60
30	Series E-1943.....	2.90	16,030,319.96	80,724,980.62
30	Series E-1944.....	2.90	592,130,730.25	141,380,294.38
30	Series F-1941.....	2.53	146,944.15	454,546.20
30	Series F-1942.....	2.53	591,300.28	2,115,289.42
30	Series F-1943.....	2.53	674,250.80	2,760,978.95
30	Series F-1944.....	2.53	15,905,372.00	990,564.00
30	Series G-1941.....	2.50		1,876,300.00
30	Series G-1942.....	2.50	4,100.00	5,179,900.00
30	Series G-1943.....	2.50	97,200.00	6,712,200.00
30	Series G-1944.....	2.50	85,184,800.00	2,623,100.00
30	Unclassified sales and redemptions.....		\$2,339,885.86	
30	Depository bonds, First Series.....	2	5,204,000.00	735,000.00
30	Depository bonds, Second Series.....	2	116,500.00	19,000.00
30	Adjusted service bonds of 1945.....	3	221,850.00	512,850.00
30	Tax Series A-1945.....	1.92		6,359,400.00
30	Treasury savings notes, Series C-1945.....	1.07		73,986,400.00
30	Treasury savings notes, Series C-1946.....	1.07		396,815,400.00
30	Treasury savings notes, Series C-1947.....	1.07	281,653,900.00	710,451,400.00
30	Miscellaneous.....			25,000.00
	Total, September.....		10,346,715,913.30	11,334,744,621.64
Oct. 1	Certificates of indebtedness, Series F-1944, redeemed in exchange for certificates of indebtedness, Series G-1945.....	$\frac{7}{8}$		3,491,572,000.00
1	Certificates of indebtedness, Series F-1944.....	$\frac{7}{8}$		27,475,000.00
1	Certificates of indebtedness, Series G-1945.....	$\frac{7}{8}$	3,491,572,000.00	
	Treasury bills:			
5	Issued July 6, 1944.....	.375		1,216,273,000.00
5	Maturing Jan. 4, 1945.....	.375	1,217,970,000.00	
13	Issued July 13, 1944.....	.374		1,203,823,000.00

Footnotes at end of table.

TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1944	Treasury bills—Continued.	Percent		
Oct. 13	Maturing Jan. 11, 1945.....	.376	\$1,312,571,000.00	
19	Issued July 20, 1944.....	.375		\$1,206,589,000.00
19	Maturing Jan. 18, 1945.....	.375	1,313,861,000.00	
26	Issued July 27, 1944.....	.375		1,214,382,000.00
26	Maturing Jan. 25, 1945.....	.375	1,308,901,000.00	
	United States savings bonds:			
31	Series A-1935.....	2.90	801,691.00	256,861.50
31	Series B-1936.....	2.90	975,106.00	476,432.50
31	Series C-1937.....	2.90	874,434.25	505,830.75
31	Series C-1938.....	2.90	796,843.75	703,840.00
31	Series D-1939.....	2.90	1,105,920.00	1,168,680.75
31	Series D-1940.....	2.90	1,373,201.75	1,647,434.50
31	Series D-1941.....	2.90	761,703.50	945,966.50
31	Series E-1941.....	2.90	1,463,985.18	3,399,056.34
31	Series E-1942.....	2.90	5,581,551.59	27,721,289.70
31	Series E-1943.....	2.90	12,347,116.14	74,950,863.21
31	Series E-1944.....	2.90	604,734,349.75	158,571,394.52
31	Series F-1941.....	2.53	164,824.00	645,748.40
31	Series F-1942.....	2.53	497,583.06	2,334,763.08
31	Series F-1943.....	2.53	743,025.65	2,890,982.05
31	Series F-1944.....	2.53	13,627,318.50	928,108.00
31	Series G-1941.....	2.50		1,561,800.00
31	Series G-1942.....	2.50		4,561,100.00
31	Series G-1943.....	2.50	7,300.00	6,336,100.00
31	Series G-1944.....	2.50	82,773,500.00	3,037,500.00
31	Unclassified sales and redemptions.....		<sup>5</sup> 6,687,071.89	107,906,966.07
31	Depository bonds, First Series.....	2	11,279,000.00	5,462,000.00
31	Depository bonds, Second Series.....	2	94,000.00	22,000.00
31	Adjusted service bonds of 1945.....	3	120,300.00	485,900.00
31	Tax notes, Series A-1945.....	1.92		1,390,575.00
31	Treasury savings notes, Series C-1945.....	1.07		7,280,025.00
31	Treasury savings notes, Series C-1946.....	1.07		75,702,600.00
31	Treasury savings notes, Series C-1947.....	1.07	180,674,500.00	145,028,900.00
31	Miscellaneous.....			<sup>6</sup> 3,000.00
	Total, October.....		9,558,985,182.23	8,996,033,747.87
Nov. 2	Treasury bills:			
2	Issued Aug. 3, 1944.....	.375		1,214,112,000.00
2	Maturing Feb. 1, 1945.....	.375	1,311,028,000.00	
9	Issued Aug. 10, 1944.....	.375		1,210,910,000.00
9	Maturing Feb. 8, 1945.....	.375	1,314,251,000.00	
16	Issued Aug. 17, 1944.....	.375		1,205,776,000.00
16	Maturing Feb. 15, 1945.....	.375	1,300,604,000.00	
24	Issued Aug. 24, 1944.....	.375		1,209,947,000.00
24	Maturing Feb. 23, 1945.....	.375	1,313,528,000.00	
30	Issued Aug. 31, 1944.....	.375		1,210,155,000.00
30	Maturing Mar. 1, 1945.....	.375	1,203,676,000.00	
	United States savings bonds:			
30	Series A-1935.....	2.90	665,332.00	245,566.00
30	Series B-1936.....	2.90	891,851.75	417,920.00
30	Series C-1937.....	2.90	757,158.75	488,448.00
30	Series C-1938.....	2.90	710,777.50	751,081.75
30	Series D-1939.....	2.90	1,310,715.75	1,467,466.25
30	Series D-1940.....	2.90	1,187,186.00	1,926,489.00
30	Series D-1941.....	2.90		1,089,631.00
30	Series E-1941.....	2.90	2,858,316.12	4,448,026.50
30	Series E-1942.....	2.90	5,746,677.14	35,349,071.08
30	Series E-1943.....	2.90	7,247,102.05	93,480,337.90
30	Series E-1944.....	2.90	754,457,806.25	201,981,111.20
30	Series F-1941.....	2.53	596,225.75	603,577.54
30	Series F-1942.....	2.53	509,807.26	2,361,936.72
30	Series F-1943.....	2.53	226,621.90	2,871,747.98
30	Series F-1944.....	2.53	42,669,174.00	1,106,614.50
30	Series G-1941.....	2.50		1,937,400.00
30	Series G-1942.....	2.50	5,200.00	4,387,300.00
30	Series G-1943.....	2.50	100.00	6,281,400.00
30	Series G-1944.....	2.50	173,853,100.00	2,906,600.00
30	Unclassified sales and redemptions.....		52,296,486.01	18,337,011.62
30	Depository bonds, First Series.....	2	3,579,000.00	4,070,000.00
30	Depository bonds, Second Series.....	2	145,000.00	18,000.00
30	Adjusted service bonds of 1945.....	3	250,350.00	422,250.00
30	Tax notes, Series A-1945.....	1.92		735,875.00
30	Treasury savings notes, Series C-1945.....	1.07		9,446,475.00
30	Treasury savings notes, Series C-1946.....	1.07		49,157,200.00

Footnotes at end of table.



TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*<sup>1</sup>—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1944				
Nov. 30	Treasury savings notes, Series C-1947	Percent		
30	Miscellaneous	1.07	\$1,081,662,600.00	\$107,445,800.00
	Total, November		8,574,713,588.23	6,604,637,337.04
Dec. 1	Certificates of indebtedness, Series G-1944, redeemed in exchange for Treasury notes, Series C-1946			
1	Certificates of indebtedness, Series G-1944	7/8		3,415,821,000.00
1	Treasury notes, Series C-1946	7/8		123,934,000.00
1	Certificates of indebtedness, Series H-1945	.90	3,415,821,000.00	
1	Treasury notes, Series C-1947	7/8	4,395,400,000.00	
1	Treasury bonds of 1952-54 (dated Dec. 1, 1944)	13/4	1,549,892,000.00	
1	Treasury bonds of 1966-71	2	7,922,077,000.00	
7	Treasury bills, issued Sept. 7, 1944	2 1/2	3,447,511,500.00	
7	Treasury bills, maturing Mar. 8, 1945	.375		1,206,893,000.00
14	Treasury bills, issued Sept. 14, 1944	.375	1,204,896,000.00	
14	Treasury bills, maturing Mar. 15, 1945	.375		1,214,794,000.00
15	Treasury bonds of 1944-54 redeemed in exchange for Treasury notes, Series C-1947 (additional issue)	.375	1,207,016,000.00	
15	Treasury bonds of 1944-54 redeemed in exchange for Treasury bonds of 1952-54 (additional issue)	4		137,352,000.00
15	Treasury bonds of 1944-54 redeemed in exchange for Treasury bonds of 1966-71 (additional issue)	4		739,900,500.00
15	Treasury bonds of 1944-54 (called for redemption)	4		33,353,500.00
15	Treasury notes, Series C-1947 (additional issue)	4		126,086,400.00
15	Treasury bonds of 1952-54 (additional issue) (dated Dec. 1, 1944)	1 1/4	137,352,000.00	
15	Treasury bonds of 1966-71 (additional issue)	2	739,900,500.00	
21	Treasury bills, issued Sept. 21, 1944	2 1/2	33,353,500.00	
21	Treasury bills, maturing Mar. 22, 1945	.375		1,215,529,000.00
28	Treasury bills, issued Sept. 28, 1944	.375	1,217,168,000.00	
28	Treasury bills, maturing Mar. 29, 1945	.375		1,218,184,000.00
	United States savings bonds:	.375	1,202,262,000.00	
31	Series A-1935	2.90	781,427.50	251,055.00
31	Series B-1936	2.90	1,691,628.75	482,967.50
31	Series C-1937	2.90	1,023,752.25	557,888.00
31	Series C-1938	2.90	1,044,679.75	809,984.00
31	Series D-1939	2.90	2,083,121.00	1,576,525.25
31	Series D-1940	2.90	1,755,877.00	2,013,290.50
31	Series D-1941	2.90		1,007,286.75
31	Series E-1941	2.90	7,128,624.99	4,865,085.98
31	Series E-1942	2.90	7,168,799.47	35,803,722.37
31	Series E-1943	2.90	8,772,508.97	89,223,894.95
31	Series E-1944	2.90	1,858,339,392.22	216,510,480.37
31	Series F-1941	2.53	577,160.27	629,785.71
31	Series F-1942	2.53	643,934.93	2,120,493.36
31	Series F-1943	2.53	203,187.00	2,975,295.99
31	Series F-1944	2.53	124,637,845.50	1,243,640.50
31	Series G-1941	2.50		2,202,200.00
31	Series G-1942	2.50	1,800.00	4,824,500.00
31	Series G-1943	2.50	25,200.00	7,084,900.00
31	Series G-1944	2.50	405,853,400.00	3,766,600.00
31	Unclassified sales and redemptions		\$3,900,737.01	\$12,678,714.13
31	Depository bonds, First Series	2	8,147,000.00	3,800,000.00
31	Depository bonds, Second Series	2	52,000.00	54,000.00
31	Adjusted service bonds of 1945	3	273,250.00	578,600.00
31	Tax notes, Series A-1945	1.92		3,616,925.00
31	Treasury savings notes, Series C-1945	1.07		109,099,500.00
31	Treasury savings notes, Series C-1946	1.07		479,498,350.00
31	Treasury savings notes, Series C-1947	1.07	1,283,781,800.00	839,330,575.00
31	Miscellaneous			4,500.00
	Total, December		30,182,735,152.59	11,233,100,732.10
1945				
Jan. 4	Treasury bills:			
4	Issued Oct. 5, 1944	.375		1,217,970,000.00
11	Maturing Apr. 5, 1945	.373	1,204,947,000.00	
11	Issued Oct. 13, 1944	.376		1,312,571,000.00
11	Maturing Apr. 12, 1945	.375	1,302,998,000.00	
18	Issued Oct. 19, 1944	.375		1,313,861,000.00
18	Maturing Apr. 19, 1945	.375	1,302,604,000.00	
25	Issued Oct. 26, 1944	.375		1,308,901,000.00
25	Maturing Apr. 26, 1945	.375	1,318,361,000.00	

Footnotes at end of table.

TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*<sup>1</sup>—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1945	United States savings bonds:	Percent		
Jan. 31	Series A-1935	2.90	\$392,069.50	\$341,604.50
31	Series B-1936	2.90	1,552,140.00	498,594.50
31	Series C-1937	2.90	2,775,786.75	694,714.00
31	Series C-1938	2.90	1,606,727.50	889,975.50
31	Series D-1939	2.90	2,555,097.00	1,761,838.00
31	Series D-1940	2.90	4,036,618.00	2,567,753.00
31	Series D-1941	2.90	2,125,860.00	1,198,865.75
31	Series E-1941	2.90	1,819,746.50	5,151,481.73
31	Series E-1942	2.90	10,872,717.55	34,682,011.35
31	Series E-1943	2.90	8,123,053.25	85,480,061.76
31	Series E-1944	2.90	547,101,010.03	227,207,678.22
31	Series E-1945	2.90	300,116,968.75	64,940.41
31	Series F-1941	2.53	252,672.47	686,970.72
31	Series F-1942	2.53	1,174,053.69	2,440,541.99
31	Series F-1943	2.53	570,319.60	2,801,706.80
31	Series F-1944	2.53	16,431,403.85	1,520,457.65
31	Series F-1945	2.53	25,986,543.00	
31	Series G-1941	2.50		1,874,900.00
31	Series G-1942	2.50	2,200.00	5,866,000.00
31	Series G-1943	2.50	4,000.00	6,137,300.00
31	Series G-1944	2.50	69,105,500.00	6,256,986.00
31	Series G-1945	2.50	139,215,700.00	
31	Unclassified sales and redemptions		\$ 34,819,689.51	\$ 46,727,757.55
31	Depository bonds, First Series	2	7,066,000.00	5,055,000.00
31	Depository bonds, Second Series	2	2,285,000.00	435,000.00
31	Adjusted service bonds of 1945	3	1,377,500.00	818,850.00
31	Tax notes, Series A-1945	1.92		6,630,175.00
31	Treasury savings notes, Series C-1945	1.07		10,100,200.00
31	Treasury savings notes, Series C-1946	1.07		46,466,850.00
31	Treasury savings notes, Series C-1947	1.07	9,571,300.00	172,642,925.00
31	Treasury savings notes, Series C-1948	1.07	248,138,900.00	41,000.00
31	Postal savings bonds, 28th Series	2½		92,800.00
31	Miscellaneous			8,500.00
	Total, January		6,518,249,197.96	5,736,990,924.33
Feb. 1	Certificates of indebtedness, Series A-1945, redeemed in exchange for certificates of indebtedness, Series A-1946	7½		4,648,577,000.00
1	Certificates of indebtedness, Series A-1945	7½		399,602,000.00
1	Certificates of indebtedness, Series A-1946	7½	5,043,467,000.00	
	Treasury bills:			
1	Issued Nov. 2, 1944	.375		1,311,028,000.00
1	Maturing May 3, 1945	.375	1,315,758,000.00	
8	Issued Nov. 9, 1944	.375		1,314,251,000.00
8	Maturing May 10, 1945	.375	1,310,176,000.00	
15	Issued Nov. 16, 1944	.375		1,300,604,000.00
15	Maturing May 17, 1945	.375	1,300,100,000.00	
23	Issued Nov. 24, 1944	.375		1,313,528,000.00
23	Maturing May 24, 1945	.376	1,308,721,000.00	
	United States savings bonds:			
28	Series A-1935	2.90	215,771.00	193,192.50
28	Series B-1936	2.90	889,980.00	379,495.50
28	Series C-1937	2.90	1,470,356.75	486,151.75
28	Series C-1938	2.90	820,617.25	719,264.75
28	Series D-1939	2.90	1,328,287.50	1,357,715.75
28	Series D-1940	2.90	1,637,749.00	1,748,528.00
28	Series D-1941	2.90	1,975,468.25	1,138,180.00
28	Series E-1941	2.90	1,322,654.50	3,765,919.04
28	Series E-1942	2.90	6,568,596.13	27,249,394.08
28	Series E-1943	2.90	6,293,983.51	65,880,202.77
28	Series E-1944	2.90	24,407,152.00	196,076,418.86
28	Series E-1945	2.90	640,877,774.50	50,506.25
28	Series F-1941	2.53	156,095.37	676,263.00
28	Series F-1942	2.53	588,931.38	2,950,309.27
28	Series F-1943	2.53	372,222.67	2,694,034.98
28	Series F-1944	2.53	\$ 6,819,986.35	2,290,772.00
28	Series F-1945	2.53	37,725,576.50	740.00
28	Series G-1941	2.50		1,848,200.00
28	Series G-1942	2.50		4,837,300.00
28	Series G-1943	2.50	2,500.00	5,543,800.00
28	Series G-1944	2.50	\$ 41,566,000.00	5,719,800.00
28	Series G-1945	2.50	205,636,700.00	26,900.00
28	Unclassified sales and redemptions		\$ 2,895,717.72	\$ 2,507,568.49
28	Depository bonds, First Series	2	6,756,000.00	5,093,750.00
28	Depository bonds, Second Series	2	1,159,500.00	2,194,000.00
28	Adjusted service bonds of 1945	3	1,131,850.00	408,550.00

Footnotes at end of table.

TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*<sup>1</sup>—Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
		Percent		
1945				
Feb. 28	Tax notes, Series A-1945.....	1.92		\$1,765,375.00
28	Treasury savings notes, Series C-1945.....	1.07		6,355,900.00
28	Treasury savings notes, Series C-1946.....	1.07		23,467,400.00
28	Treasury savings notes, Series C-1947.....	1.07		118,005,300.00
28	Treasury savings notes, Series C-1948.....	1.07	\$212,396,300.00	11,000.00
28	Miscellaneous.....			5,000.00
	Total, February.....		11,380,674,272.24	10,768,001,734.01
Mar. 1	Treasury notes, Series A-1945, redeemed in exchange for certificates of indebtedness, Series B-1946.....	$\frac{3}{4}$		492,578,200.00
1	Treasury notes, Series C-1945, redeemed in exchange for certificates of indebtedness, Series B-1946.....	$1\frac{1}{4}$		1,546,042,800.00
1	Treasury notes, Series D-1945, redeemed in exchange for certificates of indebtedness, Series B-1946.....	.90		2,108,689,000.00
1	Treasury notes, Series D-1945.....	.90		18,207,000.00
1	Certificates of indebtedness, Series B-1946.....	$\frac{7}{8}$	4,147,310,000.00	
1	Treasury bills, issued Nov. 30, 1944.....	.375		1,203,676,000.00
1	Treasury bills, maturing May 31, 1945.....	.375	1,314,172,000.00	
8	Treasury bills, issued Dec. 7, 1944.....	.375		1,204,896,000.00
8	Treasury bills, maturing June 7, 1945.....	.375	1,310,168,000.00	
15	Treasury bills, issued Dec. 14, 1944.....	.375		1,207,016,000.00
15	Treasury bills, maturing June 14, 1945.....	.375	1,316,109,000.00	
15	Treasury notes, Series A-1945.....	$\frac{3}{4}$		225,433,000.00
15	Treasury notes, Series C-1945.....	$1\frac{1}{4}$		60,161,700.00
15	Special—certificates of indebtedness.....	$\frac{1}{4}$	4,000,000.00	
16	Special—certificates of indebtedness.....	$\frac{1}{4}$		4,000,000.00
22	Treasury bills, issued Dec. 21, 1944.....	.375		1,217,168,000.00
22	Treasury bills, maturing June 21, 1945.....	.375	1,302,532,000.00	
29	Treasury bills, issued Dec. 28, 1944.....	.375		1,202,262,000.00
29	Treasury bills, maturing June 28, 1945.....	.375	1,314,043,000.00	
	United States savings bonds:			
31	Series A-1935.....	2.90	889,700.50	18,792,674.00
31	Series B-1936.....	2.90	963,197.50	512,133.00
31	Series C-1937.....	2.90	1,297,373.00	646,129.75
31	Series C-1938.....	2.90	780,527.50	845,708.50
31	Series D-1939.....	2.90	1,123,798.00	1,601,643.50
31	Series D-1940.....	2.90	2,021,898.75	2,206,706.75
31	Series D-1941.....	2.90	620,100.25	1,280,314.75
31	Series E-1941.....	2.90	1,281,420.25	4,723,381.75
31	Series E-1942.....	2.90	6,783,376.13	34,513,307.60
31	Series E-1943.....	2.90	14,715,246.36	82,211,444.43
31	Series E-1944.....	2.90	39,772,708.75	247,047,269.67
31	Series E-1945.....	2.90	681,987,817.25	31,003,577.74
31	Series F-1941.....	2.53	164,849.71	433,829.36
31	Series F-1942.....	2.53	722,334.21	2,803,919.11
31	Series F-1943.....	2.53	957,714.02	3,127,168.12
31	Series F-1944.....	2.53	1,314,345.10	2,712,760.75
31	Series F-1945.....	2.53	25,159,425.50	3,811.00
31	Series G-1941.....	2.50		2,080,500.00
31	Series G-1942.....	2.50		5,899,800.00
31	Series G-1943.....	2.50	9,000.00	7,417,300.00
31	Series G-1944.....	2.50	3,230,000.00	6,955,500.00
31	Series G-1945.....	2.50	147,216,600.00	86,900.00
31	Unclassified sales and redemptions.....		<sup>5</sup> 5,948,582.96	6,871,294.41
31	Depository bonds, First Series.....	2	10,276,000.00	4,615,000.00
31	Depository bonds, Second Series.....	2	145,000.00	42,000.00
31	Adjusted service bonds of 1945.....	3	1,089,000.00	448,700.00
31	Tax notes, Series A-1945.....	1.92		7,883,675.00
31	Treasury savings notes, Series C-1945.....	1.07		99,877,300.00
31	Treasury savings notes, Series C-1946.....	1.07		200,186,600.00
31	Treasury savings notes, Series C-1947.....	1.07		809,184,100.00
31	Treasury savings notes, Series C-1948.....	1.07	233,055,900.00	94,930,100.00
	Total, March.....		11,877,962,749.82	12,171,074,249.19
Apr. 1	Certificates of indebtedness, Series B-1945, redeemed in exchange for certificates of indebtedness, Series C-1946.....	$\frac{7}{8}$		4,810,554,000.00
1	Certificates of indebtedness, Series B-1945.....	$\frac{7}{8}$		66,175,000.00
1	Certificates of indebtedness, Series C-1946.....	$\frac{7}{8}$	4,810,554,000.00	
	Treasury bills:			
5	Issued Jan. 4, 1945.....	.373		1,204,947,000.00
5	Maturing July 5, 1945.....	.376	1,317,065,000.00	
12	Issued Jan. 11, 1945.....	.375		1,302,998,000.00
12	Maturing July 12, 1945.....	.375	1,303,940,000.00	
19	Issued Jan. 18, 1945.....	.375		1,302,604,000.00

Footnotes at end of table.



TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*—Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1945	Treasury bills—Continued.	Percent		
Apr. 19	Maturing July 19, 1945	.375	\$1,318,179,000.00	
26	Issued Jan. 25, 1945	.375		\$1,318,361,000.00
26	Maturing July 26, 1945	.375	1,310,260,000.00	
	United States savings bonds:			
30	Series A-1935	2.90	795,014.50	16,538,156.50
30	Series B-1936	2.90	968,863.50	461,711.00
30	Series C-1937	2.90	1,131,857.00	577,455.25
30	Series C-1938	2.90	789,853.00	776,389.50
30	Series D-1939	2.90	1,095,823.25	1,246,355.00
30	Series D-1940	2.90	1,358,455.75	1,785,876.00
30	Series D-1941	2.90	753,162.00	990,366.75
30	Series E-1941	2.90	1,437,890.50	4,355,439.50
30	Series E-1942	2.90	7,157,554.91	31,223,217.63
30	Series E-1943	2.90	11,572,464.40	75,214,154.08
30	Series E-1944	2.90	21,722,004.37	190,619,600.56
30	Series E-1945	2.90	652,617,321.25	66,122,084.46
30	Series F-1941	2.53	197,940.25	368,649.48
30	Series F-1942	2.53	581,248.92	1,521,399.47
30	Series F-1943	2.53	1,010,250.17	2,158,849.91
30	Series F-1944	2.53	115,219.75	1,779,958.45
30	Series F-1945	2.53	22,986,989.00	8,658.00
30	Series G-1941	2.50		1,540,700.00
30	Series G-1942	2.50		4,090,600.00
30	Series G-1943	2.50	10,300.00	6,118,700.00
30	Series G-1944	2.50	6211,300.00	4,823,700.00
30	Series G-1945	2.50	130,300,500.00	71,000.00
30	Unclassified sales and redemptions		13,288,424.73	8,818,406.90
30	Depository bonds, First Series	2	5,494,000.00	6,330,000.00
30	Depository bonds, Second Series	2	100,000.00	6,000.00
30	Adjusted service bonds of 1945	3	333,550.00	379,760.00
30	Tax notes, Series A-1945	1.92		2,857,700.60
30	Treasury savings notes, Series C-1945	1.07		5,374,400.00
30	Treasury savings notes, Series C-1946	1.07	110,000.00	32,574,700.00
30	Treasury savings notes, Series C-1947	1.07		229,103,800.00
30	Treasury savings notes, Series C-1948	1.07	407,588,700.00	23,456,800.00
30	Miscellaneous			13,000.00
	Total, April		11,343,304,087.25	10,662,396,114.64
May 1	Certificates of indebtedness, Series D-1945, redeemed in exchange for certificates of indebtedness, Series D-1946	7/8		1,579,292,000.00
1	Certificates of indebtedness, Series D-1945	7/8		35,449,000.00
1	Certificates of indebtedness, Series D-1946	7/8	1,579,292,000.00	
	Treasury bills:			
3	Issued Feb. 1, 1945	.375		1,315,758,000.00
3	Maturing Aug. 2, 1945	.375	1,314,334,000.00	
10	Issued Feb. 8, 1945	.375		1,310,176,000.00
10	Maturing Aug. 9, 1945	.375	1,307,423,000.00	
17	Issued Feb. 15, 1945	.375		1,300,100,000.00
17	Maturing Aug. 16, 1945	.375	1,307,396,000.00	
24	Issued Feb. 23, 1945	.375		1,308,721,000.00
24	Maturing Aug. 23, 1945	.375	1,313,084,000.00	
31	Issued Mar. 1, 1945	.375		1,314,172,000.00
31	Maturing Aug. 30, 1945	.375	1,314,409,000.00	
	United States savings bonds:			
31	Series A-1935	2.90	660,053.50	15,760,453.00
31	Series B-1936	2.90	883,652.50	445,448.00
31	Series C-1937	2.90	1,017,825.50	772,936.50
31	Series C-1938	2.90	705,141.25	798,831.50
31	Series D-1939	2.90	1,298,507.25	1,350,881.75
31	Series D-1940	2.90	1,173,638.75	2,047,014.00
31	Series D-1941	2.90		1,073,377.25
31	Series E-1941	2.90	2,804,847.35	4,676,875.50
31	Series E-1942	2.90	7,829,268.44	33,318,551.93
31	Series E-1943	2.90	6,781,801.80	76,088,938.52
31	Series E-1944	2.90	8,818,360.62	170,810,537.37
31	Series E-1945	2.90	1,180,462,968.50	101,717,564.06
31	Series F-1941	2.53	743,282.94	601,348.50
31	Series F-1942	2.53	604,235.69	1,951,160.45
31	Series F-1943	2.53	347,105.98	2,850,316.88
31	Series F-1944	2.53	86,608.35	2,258,257.30
31	Series F-1945	2.53	62,835,029.00	3,663.00
31	Series G-1941	2.50		1,989,900.00
31	Series G-1942	2.50		4,842,800.00
31	Series G-1943	2.50	65,600.00	6,785,100.00
31	Series G-1944	2.50	627,800.00	6,809,300.00
31	Series G-1945	2.50	282,399,000.00	194,000.00
31	Unclassified sales and redemptions		8,411,622.44	8,069,741.74

Footnotes at end of table.



TABLE 26.—*Issues, maturities, and redemptions of interest-bearing securities, exclusive of trust account and other special issues, July 1944 through June 1945*—  
Continued

Date	Issue	Rate of interest <sup>2</sup>	Amount issued <sup>3</sup>	Amount matured or called, or redeemed prior to maturity <sup>4</sup>
1945		Percent		
May 31	Depository bonds, First Series	2	\$9,307,000.00	\$14,743,000.00
31	Depository bonds, Second Series	2	106,000.00	6,000.00
31	Adjusted service bonds of 1945	3	179,150.00	323,600.00
31	Tax notes, Series A-1945	1.92		979,150.00
31	Treasury savings notes, Series C-1945	1.07		19,448,400.00
31	Treasury savings notes, Series C-1946	1.07		30,367,800.00
31	Treasury savings notes, Series C-1947	1.07		109,628,000.00
31	Treasury savings notes, Series C-1948	1.07	1,096,770,100.00	15,196,900.00
31	Miscellaneous			500.00
	Total, May		10,810,200,399.86	8,780,818,863.77
June 1	Certificates of indebtedness, Series C-1945, redeemed in exchange for Treasury notes, Series D-1946	$\frac{1}{8}$		4,187,107,000.00
1	Certificates of indebtedness, Series C-1945	$\frac{1}{8}$		582,939,000.00
1	Treasury notes, Series D-1946	0.90	4,909,727,000.00	
1	Treasury bonds of 1950	$1\frac{1}{2}$	2,635,441,000.00	
1	Treasury bonds of 1959-62 (Dated June 1, 1945)	$2\frac{1}{4}$	5,284,069,500.00	
1	Treasury bonds of 1967-72 (Dated June 1, 1945)	$2\frac{1}{2}$	7,967,159,000.00	
1	Certificates of indebtedness, Series E-1946	$\frac{1}{8}$	4,799,491,000.00	
7	Treasury bills, issued Mar. 8, 1945	.375		1,310,168,000.00
7	Treasury bills, maturing Sept. 6, 1945	.375	1,302,298,000.00	
14	Treasury bills, issued Mar. 15, 1945	.375		1,310,109,000.00
14	Treasury bills, maturing Sept. 13, 1945	.375	1,309,767,000.00	
15	Adjusted service bonds of 1945	3	196,450.00	216,915,600.00
21	Treasury bills, issued Mar. 22, 1945	.375		1,302,532,000.00
21	Treasury bills, maturing Sept. 20, 1945	.375	1,305,337,000.00	
28	Treasury bills, issued Mar. 29, 1945	.375		1,314,043,000.00
28	Treasury bills, maturing Sept. 27, 1945	.375	1,317,766,000.00	
	United States savings bonds:			
30	Series A-1935	2.90	773,170.50	14,209,740.00
30	Series B-1936	2.90	1,677,001.00	526,603.50
30	Series C-1937	2.90	1,484,132.00	559,025.00
30	Series C-1938	2.90	1,035,747.50	729,203.25
30	Series D-1939	2.90	2,061,993.50	1,538,128.75
30	Series D-1940	2.90	1,733,575.25	2,083,725.00
30	Series D-1941	2.90		977,725.75
30	Series E-1941	2.90	6,945,585.69	4,269,649.37
30	Series E-1942	2.90	9,110,210.86	28,216,109.09
30	Series E-1943	2.90	7,330,360.19	64,894,603.49
30	Series E-1944	2.90	12,118,216.95	133,647,172.19
30	Series E-1945	2.90	1,461,650,881.25	116,027,310.94
30	Series F-1941	2.53	678,393.15	726,922.34
30	Series F-1942	2.53	757,977.12	2,554,223.50
30	Series F-1943	2.53	290,188.64	2,878,165.58
30	Series F-1944	2.53	631,462.50	2,630,667.70
30	Series F-1945	2.53	177,714,815.00	116,957.00
30	Series G-1941	2.50		2,573,000.00
30	Series G-1942	2.50		6,027,100.00
30	Series G-1943	2.50		5,957,400.00
30	Series G-1944	2.50	661,400.00	6,932,914.00
30	Series G-1945	2.50	533,039,900.00	285,200.00
30	Unclassified sales and redemptions		3,356,747.69	4,799,063.67
30	Depository bonds, First Series	2	4,074,000.00	2,481,000.00
30	Depository bonds, Second Series	2	121,000.00	34,000.00
30	Tax notes, Series A-1945	1.92		6,284,225.00
30	Treasury savings notes, Series C-1945	1.07		52,894,800.00
30	Treasury savings notes, Series C-1946	1.07		132,126,600.00
30	Treasury savings notes, Series C-1947	1.07	60,018,900.00	575,945,000.00
30	Treasury savings notes, Series C-1948	1.07	1,053,491,600.00	241,056,500.00
30	Miscellaneous			1,500.00
	Total, June		34,170,686,418.79	11,643,797,835.12
	Total for fiscal year 1945		161,835,789,828.92	111,298,113,812.21

<sup>1</sup> On basis of daily Treasury statements, supplemented by special statements on public debt issues, redemptions, and exchanges by the Bureau of the Public Debt.<sup>2</sup> For Treasury bills, average rates on a bank discount basis are shown; for United States savings bonds, the approximate yield to maturity is shown.<sup>3</sup> For United States savings bonds of Series A to F not currently on sale amounts represent accrued discount plus issue price of bonds in adjustment cases; for Series E and F currently on sale amounts represent issue price plus accrued discount; and for Series G amounts represent issue price at par.<sup>4</sup> For United States savings bonds of Series A to F amounts represent current redemption value (issue price plus accrued discount); and for Series G amounts represent redemption value at par.<sup>5</sup> Deduct. Represents excess of amounts transferred from unclassified sales and redemptions to sales and redemptions of a designated series over amounts received as unclassified sales and redemptions.<sup>6</sup> Deduct.

TABLE 27.—*Public debt increases and decreases and balances in General Fund, fiscal years 1916 through 1945*

[In millions of dollars. On basis of daily Treasury statements, see p. 437]

Year	Public debt outstanding at end of year	Increase, or decrease (—) in public debt during year	Analysis of increase or decrease in public debt			General Fund balance at end of year
			Due to excess of expenditures (+) or receipts (—)	Resulting increase (+) or decrease (—) in General Fund balance	Decreases due to statutory debt retirements	
1915.....	1, 191. 4					158. 1
1916.....	1, 225. 1	33. 8	—48. 5	+82. 3		240. 4
1917.....	2, 975. 6	1, 750. 5	+853. 4	+897. 1		1, 137. 5
1918.....	12, 455. 2	9, 479. 6	+9, 033. 3	+447. 5	1. 1	1, 585. 0
1919.....	25, 484. 5	13, 029. 3	+13, 370. 6	—333. 3	8. 0	1, 251. 7
1920.....	24, 299. 3	—1, 185. 2	—212. 5	—894. 0	78. 7	357. 7
1921.....	23, 977. 5	—321. 9	—86. 7	+192. 0	427. 1	549. 7
1922.....	22, 963. 4	—1, 014. 1	—313. 8	—277. 6	422. 7	272. 1
1923.....	22, 349. 7	—613. 7	—309. 7	+98. 8	402. 9	370. 9
1924.....	21, 250. 8	—1, 098. 9	—505. 4	—135. 5	458. 0	235. 4
1925.....	20, 516. 2	—734. 6	—250. 5	—17. 6	466. 5	217. 8
1926.....	19, 643. 2	—873. 0	—377. 8	—7. 8	487. 4	210. 0
1927.....	18, 511. 9	—1, 131. 3	—635. 8	+24. 1	519. 6	234. 1
1928.....	17, 604. 3	—907. 6	—398. 8	+31. 5	540. 3	265. 5
1929.....	16, 931. 1	—673. 2	—184. 8	+61. 2	549. 6	326. 7
1930.....	16, 185. 3	—745. 8	—183. 8	—8. 1	553. 9	318. 6
1931.....	16, 801. 3	616. 0	+902. 7	+153. 3	440. 1	471. 9
1932.....	19, 487. 0	2, 685. 7	+3, 153. 1	—54. 7	412. 6	417. 2
1933.....	22, 538. 7	3, 051. 7	+3, 068. 3	+445. 0	461. 6	862. 2
1934.....	27, 053. 1	4, 514. 5	+3, 154. 6	+1, 719. 7	359. 9	2, 581. 9
1935.....	28, 700. 9	1, 647. 8	+2, 961. 9	—740. 6	573. 6	1, 841. 3
1936.....	33, 778. 5	5, 077. 7	+4, 640. 7	+840. 2	403. 2	2, 681. 5
1937.....	36, 424. 6	2, 646. 1	+2, 878. 1	—128. 0	104. 0	2, 553. 5
1938.....	37, 164. 7	740. 1	+1, 143. 1	—337. 6	65. 5	2, 215. 9
1939.....	40, 439. 5	3, 274. 8	+2, 710. 7	+622. 3	58. 2	2, 838. 2
1940.....	42, 967. 5	2, 528. 0	+3, 604. 7	—947. 5	129. 2	1, 890. 7
1941.....	48, 961. 4	5, 993. 9	+5, 315. 7	+742. 4	64. 3	2, 633. 2
1942.....	72, 422. 4	23, 461. 0	+23, 197. 8	+358. 0	94. 7	2, 991. 1
1943.....	136, 696. 1	64, 273. 6	+57, 761. 7	+6, 515. 4	3. 5	9, 506. 6
1944.....	201, 003. 4	64, 307. 3	+53, 645. 3	+10, 662. 0	(*)	20, 168. 6
1945.....	258, 682. 2	57, 678. 8	+53, 149. 6	+4, 529. 2	(*)	24, 697. 7
Total.....		+257, 490. 8	+241, 037. 3	+24, 539. 6	—8, 086. 1	

## SUMMARY OF CHANGES IN THE PUBLIC DEBT, FISCAL YEARS 1916 THROUGH 1945

[In millions of dollars]

Increase in debt on account of—	
Excess of expenditures in certain years.....	244, 545. 3
Net increase in General Fund balance.....	24, 539. 6
	269, 084. 9
Decrease in debt on account of—	
Statutory debt retirements.....	8, 086. 1
Retirements from surplus receipts in certain years.....	3, 508. 0
	11, 594. 1
Net increase in debt since June 30, 1915.....	257, 490. 8
Public debt:	
As of June 30, 1915.....	1, 191. 4
As of June 30, 1945.....	258, 682. 2
Net increase, as above.....	257, 490. 8

NOTE.—Figures are rounded and will not necessarily add to totals.

\*Less than \$50,000.

TABLE 28.—*Statutory debt retirements, fiscal years 1918 through 1945*

[In thousands of dollars. On basis of par amounts and of daily Treasury statements (see p. 437)]

Year	Cumulative sinking fund	Repayments of foreign debt	Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts, Federal Reserve Banks	Payments from net earnings, Federal intermediate credit banks <sup>1</sup>	Commodity Credit Corporation capital repayments	Miscellaneous gifts, forfeitures, etc.	Total
1918					1,134				1,134
1919		7,922	93						8,015
1920		72,670	3,141		2,922			13	78,746
1921	261,100	73,939	26,349		60,724			5,010	427,123
1922	276,046	64,838	21,085		60,333			393	422,695
1923	284,019	100,893	6,569		10,815			555	402,850
1924	295,987	149,388	8,897		3,635			93	458,000
1925	306,309	159,179	47		114	680		208	466,538
1926	317,092	169,654			59	509		63	487,376
1927	333,528	179,216			818	414		5,578	519,555
1928	354,741	181,804	2		250	369		3,090	540,255
1929	370,277	176,213	20		2,667	266		160	549,604
1930	388,369	160,926	73		4,283	172		61	553,884
1931	391,660	48,246			18	74		85	440,082
1932	412,555		1			21		53	412,630
1933	425,660	33,887			2,037			21	461,605
1934	359,492	357						15	359,864
1935	573,001		1					556	573,558
1936	403,238							1	403,240
1937	103,815	142						14	103,971
1938	65,116	210						139	65,465
1939	48,518	120		8,095		1,501		12	58,246
1940	128,349			134		685		16	129,184
1941	37,011			1,321		548	25,364	16	64,260
1942	75,342			668		315	18,393	5	94,722
1943	3,460							4	3,463
1944	-1							3	2
1945								2	2
Total	6,214,684	1,579,605	66,278	10,219	149,809	5,555	43,757	16,166	8,086,069

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Act of Mar. 4, 1923 (42 Stat. 1456, sec. 206 (b)), requiring division of net earnings, was amended by act of May 19, 1932 (47 Stat. 159, sec. 3). Act of Aug. 19, 1937 (50 Stat. 715, sec. 30), provides for franchise tax.<sup>2</sup> Includes \$4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.

TABLE 29.—*Transactions on account of the cumulative sinking fund, fiscal year 1945*

[On basis of Public Debt accounts, see p. 437]

Unexpended balance July 1, 1944.....	\$4,349,736,614.55
Appropriation for 1945:	
Initial credit:	
(a) Under the Victory Liberty Loan Act (2½% of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920).....	\$253,404,864.87
(b) Under the Emergency Relief and Construction Act of 1932 (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act).....	7,860,606.83
(c) Under the National Industrial Recovery Act (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act).....	80,197,796.26
Total initial credit.....	341,463,267.96
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years).....	246,161,682.49
	587,624,950.45
Total available, 1945.....	4,937,361,565.00
Securities retired in 1945.....	
Unexpended balance June 30, 1945.....	4,937,361,565.00

TABLE 30.—*Cumulative sinking fund, fiscal years 1921 through 1945*

[In millions of dollars. On basis of Public Debt accounts, see p. 437]

Year	Appropriations	Available for expenditure during year <sup>1</sup>	Debt retired	
			Par amount	Cost (principal)
1921.....	256.2	256.2	261.3	254.8
1922.....	273.1	274.5	275.9	274.5
1923.....	284.1	284.2	284.0	284.1
1924.....	294.9	294.9	296.0	294.9
1925.....	306.7	306.7	306.3	306.7
1926.....	321.2	321.2	317.1	321.2
1927.....	336.9	336.9	333.5	336.9
1928.....	355.1	355.1	354.7	355.1
1929.....	370.2	370.2	370.3	370.2
1930.....	382.9	382.9	388.4	382.9
1931.....	392.2	392.2	391.7	392.2
1932.....	410.9	410.9	412.6	410.9
1933.....	425.6	425.6	425.7	425.6
1934.....	438.5	438.5	359.5	359.2
1935.....	493.8	573.2	573.0	573.0
1936.....	553.0	553.2	403.3	403.3
1937.....	572.8	722.7	103.7	103.7
1938.....	577.6	1,196.5	65.2	65.2
1939.....	580.9	1,712.2	48.5	48.5
1940.....	582.0	2,245.6	128.3	128.3
1941.....	585.8	2,703.2	37.0	37.0
1942.....	586.9	3,253.1	75.3	75.3
1943.....	587.8	3,765.6	3.4	3.4
1944.....	587.6	4,349.7		
1945.....	587.6	4,937.4		
Total.....	11,144.4		6,214.7	6,207.0
Deduct: Cumulative expenditures.....	6,207.0			
Unexpended balance.....	4,937.4			

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> The amount which is shown available in each year includes the unexpended balance brought forward from the prior year.



## War loan statistics

TABLE 31.—*Dates of the 7 war loans*

War loan	Formal period of drive (sales period for marketable issues)	Counting period of drive (sales period for nonmarketable issues)	Date interest commenced on market- able issues
First War Loan.....	Nov. 30-Dec. 23, 1942.....	Dec. 1-Dec. 31, 1942.....	Dec. 1, 1942
Second War Loan.....	Apr. 12-May 1, 1943.....	Apr. 1-May 8, 1943.....	Apr. 15, 1943
Third War Loan.....	Sept. 9-Oct. 2, 1943.....	Sept. 1-Oct. 16, 1943.....	Sept. 15, 1943
Fourth War Loan.....	Jan. 18-Feb. 15, 1944.....	Jan. 1-Feb. 29, 1944.....	Feb. 1, 1944
Fifth War Loan.....	June 12-July 8, 1944.....	June 1-July 31, 1944.....	June 26, 1944
Sixth War Loan.....	Nov. 20-Dec. 16, 1944.....	Nov. 1-Dec. 31, 1944 <sup>1</sup> .....	Dec. 1, 1944
Seventh War Loan.....	May 14-June 30, 1945 <sup>2</sup> .....	Apr. 9-July 7, 1945 <sup>3</sup> .....	June 1, 1945

<sup>1</sup> The final date for processing these subscriptions was extended from Dec. 31, 1944, to Jan. 2, 1945.<sup>2</sup> Represents sales period for individuals only; sales period for corporations and other investors was from June 18 through June 30, 1945.<sup>3</sup> The final date for processing these subscriptions was extended from July 7 to July 9, 1945.TABLE 32.—*Comparison of goals and sales in the 7 war loans*

[Dollar figures in millions]

War loan	All inves- tors	Nonbank investors					Com- mercial banks
		Total	Individuals, partnerships and personal trust accounts			Corpora- tions and other inves- tors	
			Total	Series E	Other se- curities		
First War Loan:							
Goal.....	\$9,000	\$4,000	(1)	(1)	(1)	(1)	<sup>2</sup> \$5,000
Sales.....	\$12,947	\$7,860	\$1,593	\$726	\$867	\$6,267	\$5,087
Percent.....	143.9	196.5					101.7
Second War Loan:							
Goal.....	\$13,000	\$8,000	\$2,500	(3)	(3)	\$5,500	<sup>2</sup> \$5,000
Sales.....	<sup>4</sup> \$18,555	<sup>4</sup> \$13,476	\$3,290	\$1,473	\$1,817	<sup>4</sup> \$10,186	\$5,079
Percent.....	<sup>4</sup> 135.9	<sup>4</sup> 157.3	131.6			<sup>4</sup> 168.9	101.6
Third War Loan:							
Goal.....	\$15,000	\$15,000	\$5,000	\$3,000	\$2,000	\$10,000	
Sales.....	<sup>4</sup> \$18,944	<sup>4</sup> \$18,944	\$5,377	\$2,472	\$2,905	<sup>4</sup> \$13,567	
Percent.....	<sup>4</sup> 122.1	<sup>4</sup> 122.1	107.5	82.4	145.3	<sup>4</sup> 129.4	
Fourth War Loan:							
Goal.....	\$14,000	\$14,000	\$5,500	\$3,000	\$2,500	\$8,500	
Sales.....	\$16,730	\$16,730	\$5,309	\$3,187	\$2,122	\$11,421	
Percent.....	119.5	119.5	96.5	106.2	84.9	134.4	
Fifth War Loan:							
Goal.....	\$16,000	\$16,000	\$6,000	\$3,000	\$3,000	\$10,000	
Sales.....	\$20,639	\$20,639	\$6,351	\$3,036	\$3,315	\$14,288	
Percent.....	129.0	129.0	105.9	101.2	110.5	142.9	
Sixth War Loan:							
Goal.....	\$14,000	\$14,000	\$5,000	\$2,500	\$2,500	\$9,000	
Sales.....	\$21,621	\$21,621	\$5,882	\$2,868	\$3,014	\$15,739	
Percent.....	154.4	154.4	117.6	114.7	120.6	174.9	
Seventh War Loan:							
Goal.....	\$14,000	\$14,000	\$7,000	\$4,000	\$3,000	\$7,000	
Sales.....	\$26,313	\$26,313	\$8,681	\$3,976	\$4,705	\$17,632	
Percent.....	188.0	188.0	124.0	99.4	156.8	251.9	

NOTES.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> The goal for nonbank investors was not subdivided.<sup>2</sup> Represents fixed amount which commercial banks were allowed to buy rather than a goal.<sup>3</sup> No separate goal was set for series E bonds.<sup>4</sup> Sales of \$894 million in the Second War Loan and \$630 million in the Third War Loan to certain investors were not counted toward the goals.

TABLE 33.—*Comparison of sales of securities in the 7 war loans by classes of investors and by issues*  
 [In millions of dollars. On basis of reports of sales]

Security and war loan	Total— All investors	Com- mercial banks <sup>1</sup>	Nonbank investors						Corporations and other investors						Treasury investment accounts <sup>6</sup>
			Total	Indi- viduals part- nerships, and personal trust accounts	Total	Insur- ance com- panies	Savings banks	Corpora- tions and associa- tions <sup>2</sup>	Building and loan and savings and loan associations <sup>3</sup>	Dealers and brokers <sup>4</sup>	State and local govern- ments				
Savings bonds (at issue price):															
Series E:															
First War Loan.....	726		726	726											
Second War Loan.....	1,473		1,473	1,473											
Third War Loan.....	2,472		2,472	2,472											
Fourth War Loan.....	3,187		3,187	3,187											
Fifth War Loan.....	3,036		3,036	3,036											
Sixth War Loan.....	2,868		2,868	2,868											
Seventh War Loan.....	3,976		3,976	3,976											
Series F and G:															
First War Loan <sup>6</sup> .....	288		288	216	72			72							
Second War Loan <sup>6</sup> .....	667		667	425	242			242							
Third War Loan.....	831		831	565	266	4	1	231		(*)	30				
Fourth War Loan.....	1,024		1,024	573	451	35	35	341		(*)	39				
Fifth War Loan.....	818		818	574	244	7	2	207			28				
Sixth War Loan.....	719		719	522	197	6	1	162	10	(*)	18				
Seventh War Loan.....	991		991	683	308	14	5	234	23	(*)	32				
Savings notes: <sup>7</sup>															
First War Loan <sup>6</sup> .....	1,335		1,335	188	1,147			1,147							
Second War Loan <sup>6</sup> .....	1,652		1,652	132	1,520			1,520							
Third War Loan.....	2,483		2,483	193	2,290	1	(*)	2,262		(*)	26				
Fourth War Loan.....	2,232		2,232	183	2,049	3	2	1,967		(*)	47				
Fifth War Loan.....	2,575		2,575	181	2,394	2	(*)	2,271		1	120				
Sixth War Loan.....	2,429		2,429	146	2,283	1	(*)	2,239	3	(*)	40				
Seventh War Loan.....	2,707		2,707	148	2,559	1	2	2,333	4	(*)	219				
Treasury bills: <sup>8</sup>															
First War Loan.....	906	906													
Second War Loan.....	810	810													
7½ percent certificates:															
First War Loan.....	3,800	2,121	1,679	121	1,558	76	51	899		450	82				
Second War Loan.....	3,251	2,147	3,104	246	2,858	123	105	2,033		355	241	1			
Third War Loan.....	4,122		4,122	366	3,756	136	119	2,803		322	376				
Fourth War Loan.....	5,036		5,036	496	4,540	207	136	3,479		266	452				
Fifth War Loan.....	4,770		4,770	468	4,302	170	84	3,318		148	582				

Sixth War Loan.....	4,405	4,405	339	4,056	150	46	3,255	27	64	524
Seventh War Loan.....	4,784	4,784	301	4,483	99	43	3,671	25	(*)	645
1 1/4 percent bonds:										
Fifth War Loan.....	1,948	1,948	353	1,595	309	121	913	46	133	119
Sixth War Loan.....	1,550	1,550	210	1,340	98	133	811		54	198
Treasury bonds:										
1 1/2 percent bonds:										
Seventh War Loan.....	1,090	1,090	1,600							
1 3/4 percent bonds:										
First War Loan.....	3,062	2,061	85	916	240	86	242		318	30
2 percent bonds:										
Second War Loan.....	4,939	2,122	472	2,345	703	539	832		189	82
Third War Loan.....	5,257	5,257	1,220	4,037	894	1,032	1,357		480	123
Fourth War Loan.....	5,229	5,229	1,322	3,907	924	1,250	1,242		242	249
Fifth War Loan.....	6,939	6,939	1,295	5,644	1,339	2,018	1,350	423	181	333
2 1/4 percent bonds:										
Fourth War Loan.....	3,331	3,331	517	2,814	801	1,028	722		158	104
Seventh War Loan.....	5,077	5,077	766	4,311	774	1,241	1,259	565	150	322
2 1/2 percent bonds:										
First War Loan.....	2,831	2,831	257	2,574	1,382	483	265		117	88
Second War Loan.....	3,762	3,762	540	3,222	1,582	550	560		181	349
Third War Loan.....	3,779	3,779	561	3,218	1,585	354	473		235	479
Fourth War Loan.....	1,920	1,920	352	1,568	1,095	61	256		92	
Fifth War Loan.....	2,263	2,263	417	1,846	1,357	68	249		8	147
Sixth War Loan.....	2,711	2,711	502	2,209	1,693	116	230	56	18	163
Seventh War Loan.....	7,088	7,088	1,117	5,971	3,291	930	807	194	136	593
Total—all securities:										
First War Loan.....	12,947	5,087	1,593	6,267	1,699	620	2,625		886	200
Second War Loan.....	18,555	5,079	3,290	10,186	2,408	1,195	5,187		544	503
Third War Loan.....	18,944		5,377	13,567	2,620	1,508	7,121		894	795
Fourth War Loan.....	16,730		5,309	11,421	2,141	1,262	6,796		433	759
Fifth War Loan.....	20,639		6,351	14,288	2,769	1,525	8,201		533	1,260
Sixth War Loan.....	21,621		5,882	15,739	3,196	2,314	8,049	564	317	1,299
Seventh War Loan.....	26,313		8,681	17,632	4,179	2,241	8,304	811	286	1,811

NOTE.—Small differences between figures in this table and those shown elsewhere in the report occur because a few reports of subscriptions were received too late to be credited to the official drive figures or because of slight adjustments. Figures are rounded and will not necessarily add to totals.

\*Less than \$500,000.

<sup>1</sup> Included only in first 2 war loans.

<sup>2</sup> Includes Federal agencies and Federal trust funds whose purchases were not handled through the facilities of the Treasury Department. Also includes building and loan and savings and loan associations for the first 5 drives.

<sup>3</sup> Separate sales tabulations for these investors were made for the first time in the Sixth War Loan. Included in corporations and associations prior to that time.

<sup>4</sup> Figures for the Second War Loan exclude amounts distributed to or earmarked for nonbank investors by dealers and brokers; these amounts have been classified in appropriate investor classes.

<sup>5</sup> Included only in first 3 war loans. Treasury investment accounts represent those Federal agencies and Federal trust funds whose investments are handled through the facilities of the Treasury Department.

<sup>6</sup> Sales of F and G savings bonds and Series C savings notes to investors other than individuals, partnerships, and personal trust accounts during the First and Second War Loans have been arbitrarily assigned to "corporations and associations."

<sup>7</sup> Series C notes except for First War Loan figures which include small amounts of Series A tax savings notes.

<sup>8</sup> Figures shown represent net increase in amount of Treasury bills outstanding during months of December 1942 and April 1943, and have been arbitrarily assigned to commercial banks.

TABLE 34.—*Comparison of quotas and sales of securities in the Sixth War Loan, by States*

[Dollar figures in millions, on basis of reports of sales]

State	Total			Individuals, partnerships, and personal trust accounts										Corporations and other investors		
	Quota	Sales	Percent of quota	Total			Series E savings bonds (at issue price)			Other securities			Quota	Sales	Percent of quota	
				Quota	Sales	Percent of quota	Quota	Sales	Percent of quota	Quota	Sales	Percent of quota				
Alabama.....	\$97	\$140	145	\$59	\$64	108	\$30	\$40	134	\$29	\$24	82	\$38	\$76	201	
Arizona.....	25	37	149	15	19	125	8	11	136	7	8	112	10	19	185	
Arkansas.....	44	64	144	28	37	131	17	20	118	11	17	151	16	27	168	
California {Northern.....	385	491	128	173	180	104	102	111	109	71	69	97	212	311	147	
California {Southern.....	451	595	132	202	225	111	115	124	108	87	101	116	249	371	149	
Colorado.....	74	96	129	37	47	126	19	22	114	18	25	138	37	49	132	
Connecticut.....	375	622	166	91	87	95	51	52	101	40	35	88	284	536	189	
Delaware.....	48	58	122	15	18	122	6	6	105	9	12	133	33	40	122	
District of Columbia.....	94	141	150	46	54	117	30	35	116	16	19	117	48	87	182	
Florida.....	127	161	127	71	70	99	31	37	118	40	33	84	56	91	163	
Georgia.....	130	161	124	74	67	90	34	41	121	40	26	64	56	95	169	
Idaho.....	23	34	148	14	19	138	9	12	131	5	8	153	9	15	161	
Illinois.....	1,034	1,532	148	351	400	114	174	194	111	177	206	116	683	1,133	166	
Indiana.....	1,239	365	152	120	132	110	68	75	110	52	58	111	119	232	195	
Iowa.....	178	323	182	98	143	146	53	72	136	45	70	156	80	181	226	
Kansas.....	98	143	145	63	76	121	38	44	115	25	32	130	35	66	190	
Kentucky.....	104	161	154	55	68	124	27	28	102	28	41	145	49	92	188	
Louisiana.....	110	146	133	56	59	106	31	32	105	25	27	108	54	87	161	
Maine.....	53	76	143	27	25	92	12	14	116	15	11	74	26	31	195	
Maryland.....	210	417	198	106	141	133	41	39	94	65	102	157	104	276	265	
Massachusetts.....	706	1,021	145	173	175	101	87	92	106	86	83	96	533	846	159	
Michigan.....	472	635	134	228	250	110	141	148	105	87	101	116	244	385	158	
Minnesota.....	215	399	186	103	125	121	55	62	113	48	63	131	112	274	245	
Mississippi.....	47	74	158	30	43	144	18	24	134	12	19	160	17	31	183	
Missouri.....	276	423	153	118	139	118	63	68	108	55	71	130	158	283	179	
Montana.....	32	50	157	17	26	154	10	16	160	7	10	144	15	24	161	
Nebraska.....	94	133	142	52	54	104	31	35	113	21	19	90	42	79	188	
Nevada.....	11	14	128	6	8	138	3	4	117	3	5	160	5	6	115	
New Hampshire.....	33	73	221	12	13	111	7	8	119	5	4	99	21	60	284	
New Jersey.....	567	975	172	181	231	127	94	101	108	87	129	148	386	745	193	



New Mexico.....	15	21	139	9	11	123	5	7	149	4	3	90	6	10	164
New York.....	4,226	6,673	158	800	1,010	126	295	335	114	505	675	134	3,426	5,664	165
North Carolina.....	121	248	205	61	95	155	34	42	124	27	52	194	60	154	256
North Dakota.....	29	47	162	18	302	155	11	20	181	7	8	114	11	19	173
Ohio.....	713	1,050	147	288	382	105	151	167	110	137	135	99	425	748	176
Oklahoma.....	90	138	154	40	74	152	29	39	136	20	35	175	41	64	156
Oregon.....	107	157	147	62	63	101	34	41	120	28	22	78	45	95	210
Pennsylvania.....	938	1,299	138	370	422	114	180	204	113	190	219	115	568	876	154
Rhode Island.....	79	148	188	36	29	80	15	16	104	21	13	163	43	119	278
South Carolina.....	49	79	162	25	34	138	16	21	132	9	13	148	24	45	188
South Dakota.....	29	47	162	19	24	126	11	15	134	8	9	115	10	23	230
Tennessee.....	117	220	188	61	74	122	30	36	120	31	38	124	56	146	261
Texas.....	414	592	143	225	272	121	105	126	120	120	146	122	189	320	169
Utah.....	34	56	165	18	23	126	12	14	115	6	9	147	16	34	210
Vermont.....	24	41	169	9	8	95	5	5	100	4	3	88	15	32	214
Virginia.....	136	248	182	69	99	143	38	52	137	31	47	152	67	149	222
Washington.....	177	335	189	88	106	120	53	65	123	35	40	116	89	229	258
West Virginia.....	69	144	209	39	68	175	21	23	111	18	45	248	30	76	254
Wisconsin.....	253	387	153	107	125	117	55	66	130	52	59	114	146	261	179
Wyoming.....	11	18	164	6	9	155	3	6	213	3	2	98	5	9	175
Alaska.....	3	3	139	2	2	142	1	2	154	1	1	118	1	1	133
Canal Zone.....		2			2			1			(*)			(*)	
Hawai.....	20	42	211	11	16	143	10	14	142	1	2	150	9	26	294
Puerto Rico.....	7	31	437	6	5	94	4	3	80	2	2	121	1	25	2,498
Other possessions, foreign, etc.		33			-14			-18			4			47	
Total sales.....	14,000	21,621	154	5,000	5,882	118	2,500	2,868	115	2,500	3,014	121	9,000	15,739	175

NOTE.—Figures are rounded and will not necessarily add to totals. Percentages have been computed on rounded figures.

\* Less than \$500,000.

TABLE 35.—*Sales of securities in the Sixth War Loan, by States and by classes of investors*  
 [In millions of dollars. On basis of reports of sales]

State	Total	Individuals, partnerships, and personal trust accounts (classified by securities)				Corporations and other investors (classified by investor classes)						
		Total	Savings bonds (at issue price)		Savings notes and marketable securities	Total	Insurance companies	Savings banks	Corporations and associations <sup>1</sup>	Building and loan and savings and loan associations	Dealers and brokers	State and local governments
			Series E.	Series F and G								
Alabama.....	140	64	40	5	19	76	6	1	57	2	(*)	10
Arizona.....	37	19	11	2	6	19	(*)	2	13	1	(*)	2
Arkansas.....	64	37	20	3	14	27	(*)	24	24	(*)	4	68
California.....	491	180	111	21	48	311	17	(*)	187	11	4	119
Northern.....	595	225	124	23	78	371	19	(*)	196	31		
Southern.....												
Colorado.....	96	47	22	4	21	49	1		40	3	(*)	6
Connecticut.....	622	87	52	8	27	536	258	155	101	6	1	15
Delaware.....	58	18	6	2	10	40	2	1	36	(*)		(*)
District of Columbia.....	141	54	35	4	14	87	9		69	9	1	(*)
Florida.....	161	70	37	7	27	91	4	2	56	20	(*)	10
Georgia.....	161	67	41	6	20	95	4	5	70	8	1	6
Idaho.....	34	18	12	1	6	15	(*)	(*)	12	2		1
Illinois.....	1,532	400	194	40	166	1,133	88	1	882	38	28	95
Indiana.....	365	132	75	12	45	232	39	1	168	20	(*)	3
Iowa.....	323	143	72	16	55	181	91	(*)	83	4	(*)	3
Kansas.....	143	76	44	9	23	66	4	(*)	55	6	(*)	2
Kentucky.....	161	68	28	7	34	92	5		66	16	1	4
Louisiana.....	146	59	32	6	21	87	4		79	1	(*)	2
Maine.....	76	25	14	3	8	51	2	20	25	(*)		3
Maryland.....	417	141	39	7	95	276	39	68	111	23	3	31
Massachusetts.....	1,021	175	92	19	63	846	180	348	257	40	9	12
Michigan.....	635	250	148	16	85	385	23	7	258	21	(*)	75
Minnesota.....	399	125	62	11	52	274	18	16	182	25	7	26
Mississippi.....	74	43	24	3	16	31	1		26	1	(*)	3
Missouri.....	423	139	68	15	57	283	47		221	4	2	9
Montana.....	50	26	16	3	8	24	3		17	2		2
Nebraska.....	133	54	35	6	13	79	19	(*)	41	9	(*)	10
Nevada.....	14	8	4	1	4	6			5		(*)	1
New Hampshire.....	73	13	8	2	3	60	5	39	12	3		1
New Jersey.....	975	231	101	20	110	745	438	42	175	16	2	72

New Mexico.....	21	11	7	1	3	10	(*)	1,427	1,357	2,444	7	(*)	43	239	3
New York.....	6,673	1,010	335	78	597	5,664	1,427	12	1	2,444	2,444	43	239	153	153
North Carolina.....	248	95	42	6	47	154	12	12	1	76	13	1	1	61	61
North Dakota.....	47	23	20	3	6	19	1	1	1	11	11	2	2	5	5
Ohio.....	1,050	302	167	27	108	748	78	78	36	446	446	89	89	97	97
Oklahoma.....	138	74	39	4	31	64	2	2	1	(*)	52	2	(*)	7	7
Oregon.....	157	63	41	5	17	95	5	5	1	45	45	9	(*)	35	35
Pennsylvania.....	1,209	422	204	40	179	876	144	144	108	529	529	18	8	69	69
Rhode Island.....	148	29	16	3	10	119	19	19	50	35	35	7	7	10	10
South Carolina.....	79	34	21	3	11	45	5	5	1	32	32	2	(*)	6	6
South Dakota.....	47	24	15	2	7	23	1	1	1	11	11	(*)	(*)	11	11
Tennessee.....	220	74	36	5	33	146	26	26	(*)	107	107	5	5	7	7
Texas.....	592	272	126	19	127	320	45	45	1	223	223	9	1	43	43
Utah.....	56	23	14	1	8	34	1	1	2	19	19	2	(*)	8	8
Vermont.....	41	8	5	1	2	32	4	4	17	8	8	(*)	(*)	3	3
Virginia.....	248	99	52	9	38	149	19	19	1	85	85	3	(*)	43	43
Washington.....	335	106	65	8	32	229	9	9	10	92	92	22	(*)	96	96
West Virginia.....	144	68	23	3	42	76	3	3	1	65	65	1	(*)	7	7
Wisconsin.....	387	125	66	16	43	261	67	67	1	138	138	8	1	46	46
Wyoming.....	18	9	6	1	2	9	(*)	(*)	1	5	5	1	1	3	3
Alaska.....	3	2	2	(*)	(*)	1	1	1	1	1	1	(*)	(*)	(*)	(*)
Canal Zone.....	2	2	1	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	1	1	6	6
Hawaii.....	42	16	14	1	1	26	(*)	(*)	20	20	20	1	1	25	25
Puerto Rico.....	31	6	3	1	2	25	(*)	(*)	25	25	25	2	2	47	47
Other possessions, foreign, etc.....	33	-14	-18	+4	(*)	47	(*)	(*)	47	47	47	2	2	2	2
Total sales.....	21,621	5,882	2,868	522	2,492	15,739	3,196	2,314	8,049	564	317	1,299	1,299	1,299	1,299

NOTE: Figures are rounded and will not necessarily add to totals.

• Less than \$500,000.

1 Includes Federal agencies and Federal trust funds.

TABLE 36.—*Comparison of quotas and sales of securities in the Seventh War Loan, by States*  
 [Dollar figures in millions. On basis of reports of sales]

State	Total			Individuals, partnerships and personal trust accounts										Corporations and other investors		
	Quota	Sales	Percent of quota	Total			Series E savings bonds (at issue price)			Other securities			Quota	Sales	Percent of quota	
				Quota	Sales	Percent of quota	Quota	Sales	Percent of quota	Quota	Sales	Percent of quota				
Alabama.....	\$100	\$183	183	\$74	\$95	128	\$49	\$58	119	\$25	\$37	147	\$26	\$88	338	
Arizona.....	33	49	149	23	26	114	15	16	105	8	10	131	10	23	229	
Arkansas.....	54	77	142	42	50	120	28	29	103	14	22	155	12	26	220	
California { Northern.....	399	635	159	250	252	101	149	149	91	86	103	120	119	383	257	
{ Southern.....	462	814	176	288	342	119	184	169	92	104	173	166	174	473	272	
Colorado.....	79	121	153	54	60	111	31	31	100	23	29	126	25	60	212	
Connecticut.....	386	812	210	119	137	115	79	70	88	40	67	167	267	675	253	
Delaware.....	43	76	176	22	24	109	10	9	88	12	15	126	21	52	247	
District of Columbia.....	113	233	207	70	86	122	48	49	101	22	37	169	43	148	344	
Florida.....	122	216	177	85	113	133	50	53	106	35	60	170	37	103	278	
Georgia.....	121	223	184	83	112	135	55	55	100	28	57	204	38	110	290	
Idaho.....	29	42	144	20	22	110	13	13	101	7	9	126	9	20	221	
Illinois.....	965	1,689	175	490	572	117	279	281	101	211	292	138	475	1,117	235	
Indiana.....	240	428	178	167	191	115	104	105	101	63	87	138	73	237	324	
Iowa.....	189	369	195	135	173	128	82	98	119	53	75	142	54	196	363	
Kansas.....	106	176	166	86	101	117	55	57	104	31	44	141	20	75	374	
Kentucky.....	113	215	190	81	121	150	44	43	98	37	78	212	32	93	292	
Louisiana.....	112	178	159	76	84	110	49	42	86	27	41	153	36	94	262	
Maine.....	56	101	181	33	34	102	20	17	84	13	17	129	23	68	294	
Maryland.....	231	494	214	148	154	104	60	51	84	88	104	118	83	340	409	
Massachusetts.....	700	1,516	216	238	282	119	140	125	89	98	138	161	462	1,233	267	
Michigan.....	501	752	150	333	340	102	226	207	103	107	153	125	168	245	245	
Minnesota.....	224	414	185	140	148	106	80	81	101	60	67	112	84	265	316	
Mississippi.....	52	85	164	45	56	124	29	34	117	16	22	137	7	29	420	
Missouri.....	280	563	201	171	211	141	101	102	101	70	140	199	109	322	295	
Montana.....	35	62	176	25	31	122	16	19	120	9	11	127	10	31	309	
Nebraska.....	92	184	200	65	85	131	43	49	115	22	36	163	27	99	367	
Nevada.....	12	16	137	9	11	123	4.5	5	109	4.5	6	136	3	5	180	
New Hampshire.....	36	97	279	17	20	118	12	11	90	5	7	186	19	77	406	
New Jersey.....	622	1,318	212	261	331	127	148	132	89	113	199	176	361	987	274	



New Mexico.....	17	28	166	13	16	127	9	10	112	4	6	158	4	12	295
New York.....	3,989	7,226	182	1,131	1,692	141	460	465	101	674	1,137	169	2,825	5,624	199
North Carolina.....	132.5	304	230	90.5	119	132	53.5	52	96	37	68	182	42	185	441
North Dakota.....	33.5	49	146	26.5	23	108	18.5	21	114	8	7	95	7	20	288
Ohio.....	713	1,419	199	403	489	122	238	232	98	165	257	156	310	930	300
Oklahoma.....	99	180	182	72	95	132	45	51	112	27	44	164	27	85	315
Oregon.....	110	205	187	80	100	125	55	58	106	25	42	169	30	105	331
Pennsylvania.....	939	1,759	187	506	676	134	288	283	98	218	392	180	433	1,083	230
Rhode Island.....	79	173	219	44	47	106	24	22	92	20	25	124	35	126	360
South Carolina.....	53	86	162	37	45	121	25	26	104	12	19	156	16	41	238
South Dakota.....	34	56	164	27	29	108	18	20	112	9	9	101	7	26	378
Tennessee.....	125	285	178	85	100	118	48	51	105	37	49	133	40	185	463
Texas.....	430	766	178	312	432	138	168	171	102	144	261	182	118	334	283
Utah.....	41	72	175	28	31	112	20	21	104	8	11	132	13	40	311
Vermont.....	23	49	211	11	13	119	6.5	6	94	4.5	7	156	12	35	295
Virginia.....	149	276	185	103	133	129	63	74	117	40	59	149	46	143	310
Washington.....	189	364	193	128	130	162	86	80	93	42	50	120	61	234	384
West Virginia.....	83	139	168	64	66	103	34	32	93	30	34	114	19	73	386
Wisconsin.....	207	325	187	150	164	109	80	91	103	61	73	119	117	361	308
Wyoming.....	10	19	191	8	11	135	6	7	119	2	4	185	2	8	416
Alaska.....	4	5	118	3	4	121	2.5	3	106	.5	1	193	1	1	112
Canal Zone.....	2	4	210	2	4	195	2	3	161	1	1	233	8	(*)	314
Hawaii.....	27	51	189	19	26	136	18	24	131	1	2	185	6	25	552
Puerto Rico.....	12.1	41	340	6.1	8	131	4.1	4	105	2	4	185	6	33	552
Other possessions, foreign, etc.....	95	95	17	17	17	17	17	13	105	2	4	185	6	78	552
Total sales.....	14,000	26,313	188	7,000	8,681	124	4,000	3,976	99	3,000	4,705	157	7,000	17,632	252

NOTE.—Figures are rounded and will not necessarily add to totals. Percentages have been computed on unrounded figures.

\*Less than \$500,000.

TABLE 37.—*Sales of securities in the Seventh War Loan, by States and by classes of investors*  
 [In millions of dollars. On basis of reports of sales]

State	Total	Individuals, partnerships, and personal trust accounts (classified by securities)					Corporations and other investors (classified by investor classes)					
		Total	Savings bonds (at issue price)		Savings notes and marketable securities	Total	Insurance companies	Savings banks	Corporations and associations <sup>1</sup>	Building and loan and savings and loan associations	Dealers and brokers	State and local governments
			Series E	Series F and G								
Alabama.....	183	95	58	5	32	88	23	2	53	2	(*)	7
Arizona.....	49	26	16	2	8	23	(*)	2	13	4	—	3
Arkansas.....	77	50	29	3	18	26	2	—	20	1	1	3
California.....	635	252	149	27	76	383	18	39	216	10	3	97
(Northern.....)	814	342	169	29	144	473	66	(*)	180	44	3	178
(Southern.....)												
Colorado.....	121	60	31	5	24	60	7	—	43	2	(*)	9
Connecticut.....	812	137	70	12	55	675	407	146	104	8	(*)	10
Delaware.....	76	24	9	3	12	52	6	2	42	—	—	1
District of Columbia.....	233	86	49	5	32	148	23	—	111	(*)	—	—
Florida.....	216	113	53	9	51	103	3	3	59	14	(*)	10
Georgia.....	223	112	55	6	51	110	7	4	72	14	—	11
Idaho.....	42	22	13	1	7	20	(*)	(*)	10	—	1	6
Illinois.....	1,689	572	281	54	238	1,117	121	—	807	59	15	113
Indiana.....	428	191	105	18	69	237	49	1	154	26	(*)	6
Iowa.....	369	173	98	20	55	196	103	—	65	4	(*)	24
Kansas.....	176	101	57	10	33	75	10	—	54	8	(*)	3
Kentucky.....	215	121	43	10	63	93	9	—	69	11	1	5
Louisiana.....	178	84	42	5	36	94	6	—	82	4	(*)	2
Maine.....	101	34	17	6	11	68	3	28	27	1	(*)	9
Maryland.....	494	154	51	10	94	340	62	87	132	17	2	39
Massachusetts.....	1,516	282	125	32	126	1,233	401	457	280	68	6	20
Michigan.....	752	340	207	26	107	1,412	19	7	289	15	(*)	81
Minnesota.....	414	148	81	12	56	265	33	16	140	29	2	45
Mississippi.....	85	56	34	4	18	29	4	(*)	23	1	—	—
Missouri.....	563	241	102	21	118	322	57	—	248	5	(*)	10
Montana.....	62	31	19	3	9	31	2	—	16	1	—	11
Nebraska.....	184	85	49	9	27	99	32	(*)	37	9	—	20
Nevada.....	16	11	5	1	5	—	(*)	—	4	(*)	(*)	1
New Hampshire.....	97	20	11	2	7	77	3	—	11	—	(*)	1
New Jersey.....	1,318	331	132	22	177	987	587	42	207	43	1	108

New Mexico.....	28	16	10	1	6	12	(*)	1,099	8	(*)	73	233	4
New York.....	7,226	1,602	466	99	1,038	5,624	1,325	1,099	2,591	233	14	1	303
North Carolina.....	304	119	32	7	61	185	23	1	79	1	14	1	69
North Dakota.....	29	49	21	3	5	20	1	1	11	3	4	3	5
Ohio.....	1,419	489	232	36	221	930	129	31	497	146	146	3	124
Oklahoma.....	180	95	51	4	40	85	4	1	46	(*)	6	(*)	30
Oregon.....	205	100	58	6	36	105	10	1	49	(*)	19	(*)	26
Pennsylvania.....	1,759	676	283	54	338	1,083	212	129	595	5	27	5	116
Rhode Island.....	173	47	22	5	20	126	26	44	45	(*)	8	(*)	2
South Carolina.....	86	45	26	3	16	41	4	1	30	(*)	3	(*)	4
South Dakota.....	56	29	20	2	7	26	2	1	10	1	1	1	13
Tennessee.....	285	100	51	6	43	185	74	(*)	97	2	6	2	6
Texas.....	768	432	171	20	241	334	89	3	192	11	11	1	41
Utah.....	72	31	21	1	9	40	3	3	18	(*)	5	(*)	11
Vermont.....	49	13	6	1	6	35	6	15	11	1	1	1	3
Virginia.....	276	133	74	9	50	143	35	1	69	(*)	5	(*)	34
Washington.....	364	130	80	11	39	234	10	23	85	31	31	1	84
West Virginia.....	139	66	32	3	32	73	3	1	49	(*)	3	(*)	18
Wisconsin.....	525	164	91	20	52	361	115	1	164	10	10	1	70
Wyoming.....	19	11	7	1	3	8	(*)	1	5	(*)	(*)	(*)	3
Alaska.....	5	4	3	(*)	1	1	1	1	1	1	1	1	(*)
Canal Zone.....	4	4	3	1	(*)	(*)	(*)	(*)	(*)	1	1	1	8
Hawaii.....	51	26	24	2	1	25	(*)	(*)	17	1	1	1	(*)
Puerto Rico.....	41	8	4	1	3	33	47	47	33	1	1	1	3
Other possessions, foreign, etc.....	95	17	13	10	-6	78	1	1	32	1	1	1	1
Total sales.....	26,313	8,681	3,976	683	4,022	17,632	4,179	2,241	8,304	811	286	286	1,811

NOTE.—Figures are rounded and will not necessarily add to totals.

• Less than \$500,000.

† Includes Federal agencies and Federal trust funds.

TABLE 38.—*Sales of Series E savings bonds of each denomination in the 7 war loans*  
 [On basis of daily Treasury statements and reports of sales]

War loan	Total all denominations	Denomination					Total all denominations	Denomination				
		\$10	\$25	\$50	\$100	\$1,000		\$10	\$25	\$50	\$100	\$1,000
		Issue price of bonds sold (in millions of dollars)						Percentage distribution				
First War Loan.....	726	---	265	99	157	116	100.0	---	36.5	13.6	21.6	12.3
Second War Loan.....	1,473	---	426	171	314	225	100.0	---	28.9	11.0	21.3	13.3
Third War Loan.....	2,472	---	653	291	617	338	100.0	---	26.4	11.8	25.0	15.7
Fourth War Loan.....	3,187	---	892	388	733	447	100.0	---	28.0	12.2	23.0	14.0
Fifth War Loan.....	3,036	2	929	423	693	403	100.0	0.1	30.6	13.9	22.8	13.3
Sixth War Loan.....	2,868	11	817	383	676	574	100.0	.4	28.5	13.4	23.5	14.2
Seventh War Loan.....	3,976	26	1,140	536	816	923	100.0	.7	28.7	13.5	20.5	13.4
		Number of bonds sold (in thousands)						Percentage distribution				
First War Loan.....	19,247	---	14,136	2,630	2,088	155	100.0	---	73.4	13.7	10.9	1.2
Second War Loan.....	32,515	---	22,710	4,568	4,189	599	100.0	---	69.8	14.1	12.9	1.4
Third War Loan.....	52,577	---	34,848	7,766	8,232	1,035	100.0	---	66.3	14.8	15.6	2.0
Fourth War Loan.....	69,856	---	47,563	10,355	9,777	1,193	100.0	---	68.1	14.8	14.0	1.7
Fifth War Loan.....	72,113	204	49,530	11,281	9,241	1,075	100.0	0.3	68.7	15.6	12.8	1.5
Sixth War Loan.....	66,132	1,488	43,590	10,226	9,007	766	100.0	2.2	65.9	15.5	13.6	1.6
Seventh War Loan.....	92,128	3,519	60,777	14,288	10,886	1,437	100.0	3.8	66.0	15.6	11.8	1.5

NOTE.—Figures are rounded and will not necessarily add to totals.



## United States savings bonds

TABLE 39.—Analysis of sales and redemptions of United States savings bonds, by series, by fiscal years 1935 through 1945 and by months during the fiscal year 1945

[On basis of daily Treasury statements, see p. 437]

Period	Sales <sup>1</sup> at issue price including accrued discount					Redemptions (including redemptions of matured bonds) at current redemption value				
	Total	Series A-D <sup>2</sup>	Series E	Series F	Series G <sup>3</sup>	Total	Series A-D <sup>4</sup>	Series E <sup>5</sup>	Series F	Series G
By fiscal years:										
1935 (Mar. 1 through June 30).....	\$62,567,044	\$62,567,044				\$519,225	\$519,225			
1936.....	265,239,521	265,239,521				11,162,525	11,162,525			
1937.....	519,731,009	519,731,009				36,206,922	36,206,922			
1938.....	504,653,948	504,653,948				66,623,995	66,623,995			
1939.....	712,476,470	712,476,470				82,000,208	82,000,208			
1940.....	1,150,810,389	1,150,810,389				114,290,162	114,290,162			
1941.....	1,537,373,747	893,034,311	\$203,098,115	\$66,693,092	\$394,554,200	148,126,038	147,512,469	\$22,481	\$18,988	\$542,100
1942.....	6,081,623,309	86,640,477	3,527,751,771	435,147,360	2,032,083,700	207,387,899	132,705,454	60,009,837	2,860,308	11,812,300
1943.....	11,916,301,878	92,060,951	8,304,400,239	760,384,688	2,759,456,000	848,323,796	88,213,494	688,574,321	17,027,781	54,508,200
1944.....	15,720,857,894	96,036,814	11,938,108,546	811,075,933	2,875,636,600	2,370,883,253	79,263,799	2,099,928,189	57,656,764	134,034,500
1945.....	15,277,800,179	103,300,063	11,818,148,296	698,044,419	2,658,307,400	4,298,352,717	142,806,750	3,845,853,465	89,326,902	220,365,600
Total Mar. 1, 1935, through June 30, 1945.....	53,769,441,387	4,486,530,996	35,791,506,997	2,771,345,493	10,720,037,900	8,183,852,740	901,281,003	6,694,388,294	166,920,743	421,262,700
By months:										
1944—July.....	2,158,564,069	14,684,752	1,703,790,046	102,630,571	337,458,700	226,941,473	6,796,119	196,327,805	7,125,749	16,691,800
August.....	624,383,398	8,123,954	512,321,728	18,662,716	85,272,000	278,693,210	6,568,654	245,707,679	7,614,578	18,802,300
September.....	722,808,163	7,522,411	612,681,785	17,317,867	85,296,100	282,985,172	5,740,706	254,732,187	6,321,379	16,301,500
October.....	721,989,332	6,688,900	617,439,031	15,032,751	82,780,800	400,550,748	5,705,076	372,549,570	6,799,602	15,406,500
November.....	1,045,942,638	5,523,022	822,606,388	44,001,829	173,838,400	382,438,737	6,386,002	353,595,558	6,943,877	13,512,700
December.....	2,417,831,603	8,380,486	1,877,508,589	126,062,128	405,880,400	303,270,882	6,698,397	333,724,470	6,969,216	17,878,200
1945—January.....	1,120,901,693	14,944,260	833,213,807	44,414,993	228,327,400	463,160,610	7,953,345	305,858,416	7,449,677	20,135,186
February.....	881,008,622	8,338,230	576,574,443	32,022,750	164,073,200	323,103,439	6,022,337	290,494,783	8,612,139	17,976,000
March.....	925,062,850	7,696,396	738,571,886	28,318,669	130,453,600	25,883,310	406,370,276	9,081,488	22,440,000	
April.....	894,673,837	6,893,029	707,795,660	24,891,648	130,699,500	403,574,615	22,376,310	358,716,089	5,837,515	16,644,700
May.....	1,367,900,150	5,738,765	1,215,108,923	64,615,662	282,437,514	426,457,514	22,248,942	375,922,726	7,664,746	20,621,100
June.....	2,221,728,969	8,765,620	1,500,512,013	180,072,836	532,378,500	403,160,610	20,624,151	351,853,909	8,906,936	21,775,614

NOTE.—Figures are rounded to nearest dollar and will not necessarily add to totals.

<sup>1</sup> Unclassified sales shown in the daily Treasury statement have been classified by series.<sup>2</sup> Not issued after Apr. 30, 1941. Figures after that date represent accrued discount on outstanding bonds and adjustments.<sup>3</sup> Series G is stated at par.<sup>4</sup> Series A bonds began to mature in March 1945.<sup>5</sup> Through June 30, 1945, there were \$56,492,147 of Series A-D and E savings bonds redeemed which had not been identified by series.

For purposes of this table it has been assumed that all of these were Series E bonds.

TABLE 40.—Summary of sales and redemptions of United States savings bonds, by series, by fiscal years 1935 through 1945 and by months during the fiscal year 1945

[In millions of dollars. On basis of daily Treasury statements and reports of sales]

Period	Amount out- standing end of fiscal year or month <sup>1</sup>	Net change during fiscal year or month	Sales			Accrual of redemp- tion values	Redemptions (including redemp- tions of matured bonds)		
			Total	Sales to investors other than commercial banks	Sales to commercial banks <sup>2</sup>		Total	Original purchase price <sup>3</sup>	Accrued discount <sup>4</sup>
All series									
By fiscal years:					(2)				(*)
1935.....	62.0	+62.0	62.6	62.6	(2)	1.2	0.5	0.5	-----
1936.....	316.1	+254.1	264.0	264.0	(2)	7.2	36.2	35.9	0.3
1937.....	799.6	+483.5	512.6	512.6	(2)	17.1	66.6	65.6	1.1
1938.....	1,237.7	+438.0	487.5	487.5	(2)	28.0	82.0	80.0	2.0
1939.....	1,868.1	+630.5	684.5	684.5	(2)	42.1	114.3	110.8	3.5
1940.....	2,904.7	+1,036.6	1,108.7	1,108.7	(2)	65.0	148.1	142.8	5.3
1941.....	4,314.0	+1,409.3	1,492.4	1,492.4	-----	87.5	207.4	200.9	6.5
1942.....	10,188.2	+3,874.2	5,994.1	5,994.1	-----	127.6	848.3	841.3	7.0
1943.....	21,256.2	+11,068.0	11,788.7	11,788.7	358.1	223.2	2,370.9	2,357.8	13.1
1944.....	34,606.1	+13,350.0	15,497.7	15,139.5	424.1	387.0	4,298.4	4,251.7	46.6
1945.....	45,585.6	+10,979.4	14,890.8	14,466.7	-----	33.5	226.9	225.4	1.6
By months:									
1944—July.....	36,537.8	+1,931.6	2,125.1	2,089.0	36.1	33.5	226.9	225.4	1.6
August.....	36,883.5	+345.7	602.4	600.0	2.4	21.9	278.7	276.9	1.8
September.....	37,323.3	+439.8	692.1	691.1	1.0	30.7	283.0	281.2	1.7
October.....	37,644.7	+321.4	695.0	694.4	.6	26.9	400.6	398.2	2.4
November.....	38,305.2	+663.6	1,023.4	999.7	23.7	22.6	382.4	380.0	2.4
December.....	40,360.8	+2,052.6	2,385.8	2,353.5	32.4	32.0	365.3	362.9	2.4
1945—January.....	41,140.3	+779.5	1,074.2	1,073.8	.4	46.7	341.4	338.7	2.7
February.....	41,698.2	+557.9	848.0	848.0	-----	33.0	323.1	320.7	2.4
March.....	42,159.5	+461.3	889.1	889.1	-----	36.0	463.8	455.8	8.0
April.....	42,625.6	+406.1	837.6	837.6	-----	32.0	463.6	396.4	7.1
May.....	43,767.0	+1,141.4	1,540.1	1,540.1	-----	27.8	426.5	419.1	7.3
June.....	45,585.6	+1,818.6	2,178.1	1,850.5	327.6	43.7	403.2	396.3	6.9



TABLE 40.—Summary of sales and redemptions of United States savings bonds, by series, by fiscal years 1935 through 1945 and by months during the fiscal year 1945—Continued

[In millions of dollars.]

Period	Amount out- standing end of fiscal year or month 1	Net change during fiscal year or month	Sales			Accrual of redemp- tion values	Redemptions (including redemp- tions of matured bonds)		
			Total	Sales to investors other than commercial banks 2	Sales to commercial banks 3		Total	Original purchase price 3	Accrued discount 4
Series F									
By fiscal years:									
1941.....	66.6	+66.6	66.7	66.7	—	—	(*) 2.9	(*) 2.9	—
1942.....	498.9	+432.3	434.9	434.9	—	0.2	17.0	17.0	(*) .3
1943.....	1,242.3	+743.4	757.9	757.9	—	2.5	57.7	57.4	.9
1944.....	1,995.7	+753.4	802.2	691.2	111.0	8.8	89.3	88.5	—
1945.....	2,604.4	+608.7	679.1	542.6	136.5	18.9	—	—	—
By months:									
1944—January.....	2,091.2	+95.5	101.1	88.3	12.8	1.5	7.1	7.1	(*) .1
February.....	2,102.3	+11.0	17.8	17.0	.8	.9	7.6	7.6	—
March.....	2,113.3	+16.0	16.0	15.8	.1	1.4	6.3	6.3	(*) .1
April.....	2,121.5	+8.2	13.7	13.5	.1	1.4	6.8	6.7	.1
May.....	2,158.5	+37.1	42.7	34.4	8.3	1.3	6.9	6.9	.1
June.....	2,277.6	+119.1	124.7	114.1	10.6	1.4	7.0	6.9	.1
July.....	2,314.6	+37.0	42.0	41.8	.2	2.4	7.4	7.4	.1
August.....	2,338.0	+23.4	30.7	30.7	—	1.3	8.6	8.5	.1
September.....	2,357.3	+19.2	26.5	26.5	—	1.8	9.1	9.0	.1
October.....	2,376.3	+23.1	23.1	23.1	—	1.8	5.8	5.8	.1
November.....	2,433.3	+57.0	62.9	62.9	—	1.7	7.7	7.6	.1
December.....	2,604.4	+171.2	178.0	74.5	103.5	2.1	8.9	8.8	.1
Series G									
By fiscal years:									
1941.....	394.0	+394.0	394.6	394.6	—	—	0.5	0.5	—
1942.....	2,414.3	+2,020.3	2,032.1	2,032.1	—	—	11.8	11.8	—
1943.....	5,119.2	+2,704.9	2,759.5	2,759.5	—	—	54.5	54.5	—
1944.....	7,860.8	+2,741.6	2,875.6	2,875.6	—	—	134.0	134.0	—
1945.....	10,298.8	+2,437.9	2,658.3	2,371.0	287.3	—	220.4	220.4	—



[illegible]

NOTE.—Figures are rounded and will not necessarily add to totals. Details by months beginning May 1935 will be found in the annual report for 1943, p. 604, and for 1944, p. 685.

\*Less than \$50,000.

1 At current redemption values except Series G which is stated at par. Unclassified sales shown in the daily Treasury statement have been classified by series.

<sup>a</sup> From Mar. 1, 1935, through Mar. 31, 1940, commercial banks were permitted to purchase savings bonds on the same terms as other investors. It is estimated that such purchases aggregated about \$300 million from March 1935 through March 1940. During the calendar year 1944 commercial banks were permitted to purchase limited amounts of Series F and G bonds for investment of savings deposits (for details see footnotes), see Series E and H bonds for investment of cash deposits.

pp. 44 and 47 of the 1944 annual report); and from June 18 through June 30, 1945, they were again permitted to make such purchases (for details as to limitations, see pp. 50 and 51).

<sup>3</sup> Estimated, except for Series G.

<sup>4</sup> Estimated. Figures represent increment in value.

\* Estimated. Figures represent amount in thousands.  
† Series A bonds began to mature in March 1945. The small amounts of matured bonds which have not been redeemed remain in the amount outstanding. Through June 30, 1945, there were \$36.5 million of Series A-D and E savings bonds redeemed which had not been identified by series. For purposes of this table it has been assumed that all of these were Series E bonds.

these were Series E bonds.

TABLE 41.—Sales of United States savings bonds of Series E, Series F, and Series G, by denominations, by fiscal years 1941 through 1945, and by months during the fiscal year 1945

[On basis of daily Treasury statements and reports of sales]

Sales in millions of dollars at issue price										Percentage distribution of sales							
Period	Total all denominations	Denomination						Total all denominations	Denomination								
		\$10	\$25	\$50	\$100	\$500	\$1,000		\$5,000	\$10,000	\$10	\$25	\$50	\$100	\$500	\$1,000	\$5,000
Series E																	
By fiscal years:																	
1941.....	203.1	14.4	13.3	41.4	40.7	93.4	100.0	---	7.1	6.5	20.4	20.0	46.0	---	---	---	---
1942.....	3,526.3	615.6	341.5	812.7	636.9	1,119.5	100.0	---	17.5	9.7	23.0	18.1	31.7	---	---	---	---
1943.....	8,271.3	2,988.2	1,081.0	1,713.8	1,007.3	1,481.0	100.0	---	36.1	13.1	20.7	12.2	17.9	---	---	---	---
1944.....	11,819.7	4,149.1	1,642.5	2,583.5	1,396.9	2,047.8	100.0	---	35.1	13.9	21.9	11.8	17.3	---	---	---	---
1945.....	11,533.4	69.2	1,724.8	2,406.2	1,325.7	2,099.7	100.0	0.6	34.0	14.9	20.8	11.5	18.2	---	---	---	---
By months:																	
1944—July.....	1,686.5	1.5	526.5	248.8	216.4	309.2	100.0	.1	31.2	14.8	22.8	12.8	18.3	---	---	---	---
August.....	499.4	4.5	221.8	89.8	35.6	51.7	100.0	.9	44.4	18.0	19.2	7.1	10.4	---	---	---	---
September.....	580.8	.1	277.1	106.3	40.4	59.5	100.0	(*)	46.9	18.0	18.2	6.8	10.1	---	---	---	---
October.....	595.6	9.6	281.9	109.3	36.6	52.3	100.0	1.6	47.1	18.3	18.2	6.1	8.7	---	---	---	---
November.....	806.8	5.1	301.2	126.3	84.5	124.3	100.0	.6	37.3	15.7	20.5	10.5	15.4	---	---	---	---
December.....	1,855.3	6.1	467.7	233.4	457.6	288.3	100.0	.3	25.2	12.6	24.7	15.5	21.7	---	---	---	---
1945—January.....	803.8	6.0	296.2	124.7	77.3	146.1	100.0	.7	36.9	15.5	19.1	9.6	18.2	---	---	---	---
February.....	653.2	4.7	269.1	112.0	50.8	98.3	100.0	.7	41.2	17.1	18.1	7.8	15.1	---	---	---	---
March.....	712.1	7.7	301.4	122.5	54.1	99.0	100.0	1.1	42.3	17.2	17.9	7.6	13.9	---	---	---	---
April.....	684.4	7.7	285.3	115.2	54.0	99.0	100.0	1.1	41.7	16.8	18.0	7.9	14.5	---	---	---	---
May.....	1,194.7	7.3	341.3	123.1	160.2	281.6	100.0	.6	28.6	13.2	20.6	13.4	23.6	---	---	---	---
June.....	1,467.7	8.9	358.3	178.8	227.4	376.4	100.0	.6	24.4	12.2	21.7	15.5	25.6	---	---	---	---
Series F																	
By fiscal years:																	
1941.....	66.7	---	---	0.9	2.0	13.2	100.0	---	---	---	1.3	3.1	19.8	18.4	57.4	---	---
1942.....	434.9	1.3	---	19.6	27.5	123.6	100.0	---	0.3	---	4.5	6.3	28.4	21.1	39.4	---	---
1943.....	757.9	4.0	---	24.8	40.6	210.1	100.0	---	.5	---	3.3	5.4	27.7	22.4	40.7	---	---
1944.....	802.2	5.6	---	24.9	40.9	213.3	100.0	---	.7	---	3.1	5.1	26.6	20.3	44.2	---	---
1945.....	679.1	5.4	---	20.0	32.7	167.3	100.0	---	.8	---	3.0	4.8	24.6	18.8	48.0	---	---



TABLE 42.—Sales of United States savings bonds of Series E and Series F and G, by cumulative from May 1941

PART A.

[In thousands of dollars at issue price. On basis of reports of sales]

State	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
Alabama.....	25,560	5,053	6,731	7,272	7,613	25,325
Arizona.....	7,763	1,412	1,829	2,024	2,346	7,087
Arkansas.....	10,699	2,351	3,100	4,000	5,532	13,270
California.....	163,598	41,304	56,447	51,600	53,796	153,460
Colorado.....	13,620	2,809	3,725	3,033	5,303	14,477
Connecticut.....	33,522	10,316	12,269	12,140	14,680	29,480
Delaware.....	3,610	1,382	1,556	1,572	1,753	4,045
District of Columbia.....	23,267	4,426	8,648	7,706	7,939	22,961
Florida.....	24,987	5,849	7,877	8,326	7,083	22,799
Georgia.....	24,988	6,024	8,616	7,742	9,394	25,513
Idaho.....	6,450	956	1,292	1,620	2,310	8,703
Illinois.....	140,398	36,009	45,181	43,959	50,668	118,436
Indiana.....	50,160	15,930	18,837	18,080	22,070	44,675
Iowa.....	42,133	5,855	8,227	8,189	14,003	50,216
Kansas.....	24,485	6,580	6,435	5,406	10,727	28,277
Kentucky.....	20,168	4,302	5,657	6,873	6,397	17,344
Louisiana.....	20,530	5,744	7,029	8,337	8,084	20,584
Maine.....	9,791	1,940	2,535	2,660	2,559	9,041
Maryland.....	23,996	6,969	9,202	8,785	9,272	23,428
Massachusetts.....	60,670	13,802	21,153	20,815	22,006	53,994
Michigan.....	95,048	23,516	44,442	35,817	37,811	97,629
Minnesota.....	37,573	8,220	9,431	10,744	14,564	42,422
Mississippi.....	14,815	1,850	2,296	4,068	4,937	17,664
Missouri.....	38,657	10,919	12,696	14,214	17,747	44,344
Montana.....	7,105	1,290	1,856	2,089	6,220	8,680
Nebraska.....	21,246	3,641	4,418	3,655	7,112	23,889
Nevada.....	2,756	493	576	548	841	2,425
New Hampshire.....	6,529	1,074	1,812	1,569	1,483	5,117
New Jersey.....	67,504	21,046	22,744	24,465	24,967	61,801
New Mexico.....	4,650	1,094	1,075	1,424	2,055	4,734
New York.....	214,362	58,011	70,067	71,342	70,043	213,168
North Carolina.....	25,034	4,697	7,195	7,880	7,815	27,985
North Dakota.....	9,822	999	1,315	1,755	4,718	14,276
Ohio.....	106,343	35,040	37,327	42,132	44,286	107,388
Oklahoma.....	22,290	4,547	5,906	4,833	9,536	23,984
Oregon.....	28,058	5,937	7,379	7,106	8,486	27,853
Pennsylvania.....	126,273	39,068	47,888	49,343	59,677	124,210
Rhode Island.....	10,286	2,417	3,723	3,240	3,125	9,175
South Carolina.....	13,452	2,487	4,937	4,538	4,084	13,816
South Dakota.....	8,224	1,182	1,495	1,739	3,052	10,655
Tennessee.....	23,957	5,316	7,365	7,775	8,449	23,297
Texas.....	74,871	16,019	20,335	21,451	35,318	79,620
Utah.....	9,080	1,590	2,476	2,471	3,305	9,222
Vermont.....	3,164	687	746	912	870	3,030
Virginia.....	34,789	6,385	10,856	10,574	9,838	33,562
Washington.....	38,856	10,463	15,994	12,745	17,191	40,009
West Virginia.....	15,369	4,016	4,790	6,201	5,496	14,229
Wisconsin.....	44,158	9,915	12,970	13,430	15,711	42,282
Wyoming.....	4,072	639	949	966	1,177	4,391
Alaska.....	822	438	390	309	270	1,275
Canal Zone.....	1,149	18	532	529	532	909
Hawaii.....	7,200	5,069	5,050	4,965	5,140	9,060
Puerto Rico.....	2,469	321	146	296	313	2,885
Virgin Islands.....	129	5	11	6	8	108
Other possessions.....	15	3	12	(*)	-----	-----
Unallocated <sup>1</sup> .....	20	-----	-----	-----	-----	1
Adjustment to daily Treasury statement.....	-164,120	+31,932	-16,718	-6,703	+107,108	+17,087
Total.....	1,686,509	499,357	590,827	598,570	806,817	1,855,300

Footnotes at end of table.



*States, monthly and total for the fiscal year 1945, total for the calendar year 1944, and through June 1945*

## SERIES E BONDS

with totals adjusted to basis of daily Treasury statements<sup>1</sup>

Fiscal year 1945—Continued							Calendar year 1944	Total May 1941 through June 1945
January 1945	February 1945	March 1945	April 1945	May 1945	June 1945	Total fiscal year 1945		
13,175	7,935	8,211	10,772	17,239	17,238	152,122	155,060	412,951
3,531	2,540	2,480	2,615	4,374	5,921	43,923	45,651	125,045
5,162	3,954	4,121	4,090	8,644	11,444	76,368	79,955	225,652
77,636	55,364	61,994	53,636	78,054	125,414	972,302	1,041,530	2,852,104
5,758	3,957	4,511	4,873	9,024	11,527	82,617	90,270	261,613
16,613	12,857	12,177	15,573	17,646	24,659	211,932	232,767	682,602
2,091	1,544	1,730	1,684	2,455	3,241	26,663	28,388	84,195
11,496	6,669	8,795	8,153	12,377	17,092	139,531	144,475	395,162
16,046	9,251	10,346	9,838	14,206	18,039	154,645	156,504	428,875
14,115	9,157	8,812	8,630	14,566	19,265	156,821	161,538	434,562
2,002	1,581	1,711	1,519	3,442	5,852	37,439	43,898	115,839
67,824	51,074	51,143	51,997	79,152	106,406	842,247	840,700	2,469,456
24,030	20,824	19,239	20,747	29,982	38,632	323,206	333,870	930,918
16,376	10,173	11,149	11,958	29,885	40,277	248,440	273,754	760,694
11,727	9,167	11,638	7,213	18,143	23,487	163,285	173,191	469,740
9,803	7,081	9,720	6,455	11,215	17,272	122,288	128,720	373,980
11,120	8,085	8,437	7,291	11,240	19,452	135,933	144,976	410,572
3,956	2,991	2,998	2,608	3,955	6,756	51,791	57,904	162,974
13,012	9,630	10,019	9,055	14,917	18,138	156,421	162,807	469,345
32,585	20,936	23,883	25,370	29,552	48,310	373,076	402,973	1,194,478
45,602	38,420	37,334	37,125	64,094	71,034	627,872	692,926	1,965,927
15,000	9,896	11,147	12,173	22,751	35,553	229,473	257,255	733,348
4,542	3,893	3,548	3,959	14,975	10,447	86,994	91,734	246,327
19,884	13,449	15,776	14,654	31,435	39,278	273,054	291,515	854,885
3,073	2,124	2,223	3,298	6,360	7,927	52,244	57,863	165,388
8,985	5,566	6,713	7,010	14,395	20,484	127,113	134,533	354,832
799	656	850	821	1,063	2,080	13,909	15,121	43,331
2,827	1,478	1,932	1,965	2,214	3,836	31,836	34,540	102,700
36,712	23,703	27,755	23,443	38,109	49,078	421,416	445,340	1,311,003
1,685	1,809	1,761	1,609	3,088	3,588	28,570	30,574	81,065
129,977	78,972	83,077	75,755	139,383	161,305	1,365,461	1,393,169	4,279,315
13,650	9,009	9,360	8,416	13,011	19,357	153,408	159,913	460,509
2,641	1,925	2,131	1,970	5,773	9,810	57,135	65,170	161,577
55,767	40,703	46,252	42,191	66,764	85,748	709,942	743,943	2,131,630
13,060	7,066	7,475	6,810	12,957	20,363	138,827	145,081	393,017
10,647	7,683	7,514	7,769	15,488	23,286	157,205	166,316	465,179
63,645	51,109	55,339	54,189	79,549	102,456	852,745	898,262	2,634,420
5,729	3,681	4,487	4,051	4,992	8,172	63,079	63,731	203,455
6,552	4,636	5,084	4,593	6,298	9,602	80,080	82,865	229,196
2,519	1,640	1,777	2,456	5,755	8,100	48,594	55,834	147,811
12,247	8,572	9,001	8,272	12,530	20,513	147,295	154,839	433,563
34,119	26,910	28,045	26,075	51,289	62,828	476,879	519,656	1,412,913
3,180	2,715	2,956	2,758	5,571	9,050	54,374	57,003	154,365
1,838	943	869	1,008	1,389	2,444	17,901	19,348	58,831
17,896	11,265	12,922	12,310	16,757	26,040	203,197	206,475	596,809
20,166	14,760	14,225	12,450	20,865	29,333	247,058	270,864	730,452
9,091	5,650	5,723	6,273	8,512	10,951	96,302	100,784	281,911
19,928	13,269	14,295	15,469	24,158	36,765	262,350	269,152	765,555
1,794	1,047	1,241	1,058	1,735	2,976	22,046	24,900	70,533
230	212	254	225	362	888	5,674	7,114	22,996
549	535	539	538	577	557	6,965	7,235	18,752
5,125	4,727	4,640	3,379	7,425	8,605	70,385	66,537	205,818
833	462	481	419	1,232	2,429	12,285	12,832	28,364
24	7	7	18	41	44	407	1,038	1,659
(*)	1	-----	1	10	3	46 21	99 367	130 123,612
-124,558	-39	+12,289	+15,836	+83,737	-15,681	-59,830	+137,030	+241,716
803,819	653,222	712,133	684,424	1,194,712	1,467,673	11,553,361	12,379,891	35,373,752

TABLE 42.—Sales of United States savings bonds of Series E and Series F and G, by cumulative from May 1941

## PART B. SERIES F AND G BONDS COMBINED—SALES

[In thousands of

State	Fiscal year 1945					
	July 1944	August 1944	September 1944	October 1944	November 1944	December 1944
Alabama.....	4,009	645	784	767	1,066	3,156
Arizona.....	1,394	228	254	131	454	1,024
Arkansas.....	1,719	332	538	472	1,521	896
California.....	34,840	7,932	8,070	9,365	13,003	28,791
Colorado.....	4,050	632	674	822	1,447	2,750
Connecticut.....	6,246	1,576	2,106	1,914	4,151	3,273
Delaware.....	1,804	302	382	566	922	1,139
District of Columbia.....	3,517	794	933	789	2,198	2,002
Florida.....	6,276	1,680	1,364	1,354	2,262	3,785
Georgia.....	4,149	1,246	1,211	1,126	2,905	2,446
Idaho.....	935	180	226	235	637	693
Illinois.....	27,645	9,156	7,484	8,221	15,772	21,562
Indiana.....	10,381	2,932	2,299	2,011	5,144	6,600
Iowa.....	9,494	2,541	2,450	2,152	6,221	8,529
Kansas.....	4,749	1,473	1,435	897	2,884	5,762
Kentucky.....	4,169	1,350	1,406	1,123	3,459	2,905
Louisiana.....	4,436	1,286	1,150	1,098	2,341	3,381
Maine.....	2,617	393	462	547	1,173	1,827
Maryland.....	5,759	1,906	1,707	1,485	3,460	3,140
Massachusetts.....	15,469	3,560	4,153	4,484	8,262	9,538
Michigan.....	12,124	2,732	3,776	3,094	5,957	9,439
Minnesota.....	9,345	1,751	2,337	1,748	3,877	5,535
Mississippi.....	2,600	588	524	379	1,627	1,711
Missouri.....	7,866	2,028	3,117	2,670	6,651	7,077
Montana.....	1,321	277	356	397	1,460	1,140
Nebraska.....	4,964	1,133	1,220	875	1,823	3,376
Nevada.....	694	87	158	44	161	535
New Hampshire.....	1,796	613	458	509	868	632
New Jersey.....	13,469	3,158	3,086	3,344	6,758	11,959
New Mexico.....	1,121	116	217	128	466	477
New York.....	59,856	12,685	12,569	15,992	27,328	44,516
North Carolina.....	4,591	1,087	1,420	1,400	2,441	2,959
North Dakota.....	2,147	469	377	397	1,324	1,799
Ohio.....	21,893	7,430	5,710	4,669	11,885	14,905
Oklahoma.....	3,410	680	789	499	1,449	2,287
Oregon.....	3,065	852	931	780	2,124	2,370
Pennsylvania.....	28,482	7,060	7,733	6,591	16,680	22,398
Rhode Island.....	2,181	771	619	665	1,345	1,155
South Carolina.....	2,498	580	632	501	1,570	830
South Dakota.....	1,666	255	331	301	836	1,250
Tennessee.....	5,243	1,125	1,067	906	2,269	2,653
Texas.....	10,783	2,831	2,793	2,469	7,886	10,194
Utah.....	665	191	213	276	679	425
Vermont.....	1,072	241	231	381	426	674
Virginia.....	4,768	1,470	1,662	1,341	4,019	4,281
Washington.....	5,636	1,808	2,007	1,414	3,910	4,200
West Virginia.....	2,063	405	658	654	1,435	1,418
Wisconsin.....	11,648	2,911	3,108	2,474	6,103	9,231
Wyoming.....	1,204	170	174	77	153	727
Alaska.....	216	73	60	40	62	320
Canal Zone.....	79	67	43	17	67	202
Hawaii.....	1,565	259	344	400	742	1,544
Puerto Rico.....	1,284	370	22	27	39	1,344
Virgin Islands.....	231					
Other possessions.....						
Unallocated.....	19	19	23	16	14	32
Adjustment to daily Treasury statement.....	+17,254	+4,269	+2,425	+833	-10,868	+211,359
Total.....	402,477	100,677	100,277	95,867	192,847	498,153

NOTE.—Figures are rounded and will not necessarily add to totals. Details by months beginning May 1941 will be found in the annual report for 1943, p. 614, and for 1944, p. 690.

\*Less than \$500.

*States, monthly and total for the fiscal year 1945, total for the calendar year 1944, and through June 1945—Continued.*

TO INVESTORS OTHER THAN COMMERCIAL BANKS <sup>2</sup>

dollars at issue price]

Fiscal year 1945—Continued							Calendar year 1944	Total May 1941 through June 1945
January 1945	February 1945	March 1945	April 1945	May 1945	June 1945	Total fiscal year 1945		
3,991	1,754	1,332	1,443	2,881	2,673	24,501	26,065	102,156
1,181	378	319	246	1,112	1,647	8,368	8,807	31,421
2,685	654	685	633	2,232	2,282	14,651	15,060	63,821
28,458	11,738	13,678	9,691	23,225	29,362	218,153	237,909	861,410
3,670	1,103	973	1,606	3,613	3,387	24,726	27,556	107,360
11,154	5,033	4,863	2,795	5,449	6,993	55,553	57,152	275,948
1,678	528	962	684	1,729	1,492	12,188	10,525	49,254
3,797	1,421	1,409	1,109	3,488	3,377	24,834	27,295	116,765
5,361	2,228	1,774	2,410	5,276	3,948	37,718	39,492	140,516
6,037	1,953	1,859	1,741	3,712	4,012	32,396	35,022	133,045
1,101	349	265	198	839	997	6,656	7,078	29,946
38,671	15,422	17,094	15,186	26,901	32,736	235,849	225,816	1,005,898
11,746	4,566	4,235	4,405	9,262	11,518	75,099	74,924	288,342
10,990	4,742	5,842	4,859	10,538	9,342	77,699	84,587	290,703
5,564	3,077	2,988	1,740	6,088	6,338	42,994	43,867	139,739
6,411	2,515	1,709	2,894	4,970	5,673	38,586	42,984	158,656
5,959	2,148	1,447	1,163	3,910	3,952	32,271	33,545	139,812
3,806	1,902	984	1,333	2,223	2,440	19,707	19,502	81,088
6,886	2,799	2,978	2,982	4,811	6,262	44,175	47,084	197,813
27,034	14,679	9,088	9,208	15,480	18,313	139,269	138,009	641,179
15,328	5,289	5,119	4,626	12,085	14,163	93,732	92,236	383,832
10,303	3,106	2,917	3,223	6,823	7,750	58,715	64,625	257,082
2,571	779	630	738	3,089	1,665	16,900	19,612	72,043
11,879	4,827	5,833	4,262	12,490	10,742	79,442	85,376	347,998
1,658	441	508	640	1,587	1,590	11,377	12,954	42,389
6,088	1,401	2,550	2,136	4,004	5,759	35,329	36,730	122,737
426	118	177	175	243	3,202	3,619	3,619	13,975
2,562	1,610	1,003	643	1,155	1,744	13,593	14,588	55,545
12,676	4,908	4,621	4,733	10,100	12,462	91,275	98,760	430,673
739	142	168	140	716	477	4,906	5,841	27,884
68,563	31,246	28,158	19,907	51,957	53,405	426,182	439,518	2,248,752
6,812	2,480	2,240	2,566	4,605	4,451	37,052	36,666	152,381
2,183	423	569	1,006	1,330	1,738	13,762	15,439	48,155
29,606	11,119	8,923	8,211	20,120	21,739	166,210	170,911	705,757
3,971	1,369	1,090	702	2,067	2,999	21,311	21,919	91,360
4,222	1,498	1,254	1,361	2,712	3,430	24,598	25,600	111,432
35,133	12,971	12,245	12,528	29,852	31,252	222,925	222,650	1,064,307
2,959	1,486	1,276	919	1,952	2,113	17,440	18,718	102,480
3,436	1,435	1,085	970	2,063	1,822	17,422	18,479	72,202
1,481	418	380	578	1,044	1,408	9,947	12,031	36,856
6,401	1,735	1,473	1,464	3,540	4,254	32,131	33,590	132,066
13,921	4,292	3,489	3,856	11,268	12,849	86,632	101,515	379,680
1,145	510	155	223	1,199	825	6,505	6,631	28,391
1,526	555	421	316	802	954	7,600	7,850	29,983
7,107	2,744	3,035	2,603	4,941	4,728	42,701	44,403	180,347
8,026	3,352	2,717	2,129	5,347	6,049	46,955	48,804	185,127
2,801	825	655	649	1,739	1,911	15,213	17,227	65,942
14,094	5,025	4,559	5,169	9,788	13,616	87,726	86,630	317,950
1,063	136	197	188	426	866	5,380	6,071	21,613
90	93	71	25	69	91	1,209	1,462	4,578
32	87	55	125	154	110	1,038	1,462	5,306
946	564	675	613	1,329	818	9,800	9,900	43,618
259	149	140	120	148	344	4,246	5,781	11,713
10	-----	71	1	-----	3	317	495	762
-----	100	-----	-----	-----	-----	100	170	883
4	12	53	9	19	12	232	384	11,298
-196,235	+8,534	+3,947	-670	-3,126	-2,866	+34,857	+219,121	+16,763
269,967	194,768	176,942	153,211	345,376	382,790	2,913,354	3,209,987	12,678,732

<sup>1</sup> Unallocated amounts prior to September 1943 included chiefly sales to the armed forces. Beginning in September 1943 these sales were allocated on a State basis.

<sup>2</sup> For sales to commercial banks, see p. 582.

## United States war savings stamps

TABLE 43.—Summary of sales and redemptions of United States war savings stamps, by fiscal years 1941 through 1945 and by months during the fiscal year 1945<sup>1</sup>

[Dollars in thousands. On basis of daily Treasury statements and reports of Post Office Department]

Period	Amount out- standing end of fiscal year or month	Net change during fiscal year or month	Sales	Redemptions			Percentage distribution of redemptions		
				Total	Exchanged for United States sav- ings bonds (estimated)	Cash (estimated)	Total	Exchanged for United States sav- ings bonds (estimated)	Cash (estimated)
By fiscal years:									
1941.....	\$5,294	+\$5,143	\$6,087	\$943	( <sup>2</sup> )	( <sup>2</sup> )	100.0	( <sup>2</sup> )	( <sup>2</sup> )
1942 (July 1941.....	166,341	+161,048	308,621	147,574	\$127,948	3,818,468	100.0	( <sup>2</sup> )	3,812.6
1943.....	213,350	+544,617	590,208	544,617	474,168	7,740,480	100.0	87.4	3,12.9
1944.....	196,518	-16,832	408,930	425,762	352,632	73,130	100.0	82.8	17.2
1945.....	177,598	-18,920	268,411	287,331	231,593	55,738	100.0	80.6	19.4
By months:									
1944—July.....	180,399	-16,119	16,566	32,085	27,553	5,132	100.0	84.3	15.7
August.....	167,425	-12,974	23,138	36,112	27,996	8,116	100.0	77.5	22.5
September.....	168,253	+828	18,898	18,070	14,175	3,896	100.0	78.4	21.6
October.....	175,199	+6,945	23,679	17,734	13,816	3,917	100.0	77.9	22.1
November.....	180,587	+5,388	23,946	18,558	14,929	3,628	100.0	80.4	19.6
December.....	181,599	+942	21,163	20,221	16,618	3,603	100.0	82.2	17.8
1945—January.....	182,692	+1,164	21,088	19,924	16,321	3,603	100.0	81.9	18.1
February.....	186,710	+4,018	20,731	16,714	13,421	3,293	100.0	80.3	19.7
March.....	189,409	+2,699	28,254	23,555	20,140	5,414	100.0	78.8	21.2
April.....	188,743	-666	24,738	23,414	20,079	3,335	100.0	79.0	21.0
May.....	186,297	-2,446	26,132	28,578	23,634	4,944	100.0	82.7	17.3
June.....	177,598	-8,699	19,069	27,767	22,910	4,857	100.0	82.5	17.5

NOTE.—Dollar figures are rounded and will not necessarily add to totals. Details by months beginning May 1941 will be found in the 1943 annual report pp. 631 and 633, and in the 1944 annual report, p. 699.

<sup>1</sup> Sales and redemptions of stamps commenced May 1, 1941, when the special defense series of postal savings stamps went on sale; the amount of old series outstanding on Apr. 30, 1941, was \$150 thousand. Both series were obligations of the Postal Savings System. Beginning Oct. 1, 1942, the special series of postal savings stamps was replaced by a Treasury issue of United States war savings stamps, and all outstanding stamps

became public debt obligations. The change to the daily Treasury statement basis was made in November 1942.

<sup>2</sup> Details not available for May, June, and July 1941.

<sup>3</sup> Includes minor amounts which were exchanged for postal savings certificates. These aggregated \$123 thousand for the period Aug. 1, 1941, through June 30, 1942, and \$55 thousand for the period July 1, 1942, through Oct. 31, 1942.

<sup>4</sup> Net of sales less redemptions. See footnote 1.

<sup>5</sup> Excludes amounts transferred from the Postal Savings System to the Treasury to cover outstanding stamps.



TABLE 41.—Sales of United States war savings stamps, by denominations, by fiscal years 1941 through 1945 and by months during the fiscal year 1945<sup>1</sup>

[On basis of daily Treasury statements and data from Post Office Department]

Period	Sales in thousands of dollars					Percentage distribution of sales					
	Total all denominations	Denomination				Total all denominations	Denomination				
		10¢	25¢	50¢	\$1		\$5	10¢	25¢	50¢	\$1
By fiscal years:											
1941	6,087	400	2,691	1,012	1,130	854	6.6	44.2	16.6	18.6	14.0
1942	308,621	67,466	167,709	28,614	31,583	13,250	21.9	54.3	9.3	10.2	4.3
1943	590,268	126,327	313,691	52,508	71,693	26,048	21.4	53.1	8.9	12.2	4.4
1944	408,830	102,534	209,121	32,611	46,972	17,691	25.1	53.1	8.0	11.5	4.3
1945	268,411	68,727	135,277	20,942	32,583	10,882	25.6	50.4	7.8	12.1	4.1
By months:											
1944—July	16,566	3,731	8,370	1,464	2,298	702	22.5	50.5	8.8	13.9	4.3
August	23,138	3,600	12,405	2,293	3,658	1,182	13.6	53.6	9.9	13.8	5.1
September	18,898	3,909	9,990	1,658	2,563	779	20.7	52.8	8.8	13.6	4.1
October	24,679	6,636	12,516	1,892	2,786	848	26.9	50.7	7.7	11.3	3.4
November	23,946	6,928	11,581	1,813	2,761	863	28.9	48.4	7.6	11.5	3.6
December	21,163	5,586	10,642	1,412	2,469	1,054	26.4	50.3	6.7	11.6	5.0
1945—January	21,088	6,328	10,604	1,435	2,103	618	30.0	50.3	6.8	10.0	2.9
February	20,731	5,857	10,155	1,463	2,288	967	28.2	49.0	7.1	11.0	4.7
March	28,254	8,059	13,981	2,017	3,201	996	28.5	49.5	7.2	11.3	3.5
April	24,748	6,966	12,226	1,878	2,755	924	28.2	49.4	7.6	11.4	3.7
May	26,132	7,236	12,975	1,953	2,981	987	27.7	49.6	7.5	11.4	3.8
June	19,069	3,891	9,832	1,665	2,720	961	20.4	51.6	8.7	14.3	5.0

<sup>1</sup> See footnote 1, p. 590.

NOTE.—Dollar figures are rounded and will not necessarily add to totals. Details by months beginning May 1941 will be found in the 1943 annual report, p. 632, and in the 1944 annual report, p. 700.



TABLE 46.—Summary of sales and redemptions of Treasury notes, tax series and savings series, by series, by fiscal years 1942 through 1945 and by months during the fiscal year 1945<sup>1</sup>

[Par values in millions of dollars. On basis of daily Treasury statements, see p. 437]

Period	Amount out- standing end of fiscal year or month 2	Net change during fiscal year or month	Sales	Redemptions and exchanges		
				Total	Received in payment of taxes	Redeemed for cash
All series						
By fiscal years:						68.3
1942.....	3,014.5	+3,014.5	4,138.9	1,124.4	1,103.7	20.7
1943.....	7,495.4	+4,480.9	8,758.5	4,277.6	4,094.4	114.9
1944.....	9,582.0	+2,086.5	8,953.7	6,867.2	6,365.1	502.1
1945.....	10,141.5	+559.5	7,013.8	6,456.3	5,906.1	550.2
By months:						
1944—July.....	10,022.5	+440.5	665.5	225.0	187.8	37.2
August.....	10,050.8	+28.4	201.4	173.1	149.6	23.4
September.....	9,140.3	-910.5	281.7	1,192.2	1,108.6	23.6
October.....	9,090.6	-49.7	180.7	230.4	200.6	29.8
November.....	10,005.2	+914.6	1,081.7	167.1	124.8	42.3
December.....	9,855.0	-150.2	1,283.8	1,434.0	1,270.7	163.3
1945—January.....	9,875.3	+20.4	257.7	237.3	183.7	53.7
February.....	9,937.7	+62.3	212.4	150.1	129.4	20.6
March.....	8,955.9	-981.7	233.1	1,214.8	1,187.7	27.0
April.....	9,116.2	+160.3	407.7	247.4	224.9	22.5
May.....	10,037.2	+920.9	1,096.8	175.8	124.4	51.4
June.....	10,141.5	+104.3	1,113.5	1,009.2	954.0	55.2
Series A						
By fiscal years:						
1942.....	54.8	+54.8	72.2	17.4	16.6	.8
1943.....	266.7	+211.9	334.7	122.8	114.0	8.7
1944.....	112.1	-154.6	(*)	154.6	36.6	18.6
1945.....	69.6	-42.5		42.5		5.9
By months:						
1944—July.....	110.4	-1.7		1.7	1.3	.4
August.....	109.6	-8		8	4	.3
September.....	102.9	-6.7		6.7	6.2	.5
October.....	101.4	-1.5		1.5	1.2	.3
November.....	100.6	-.8		.8	1.4	.3
December.....	96.9	-3.7		3.7	3.2	.6
1945—January.....	90.0	-6.9		6.9	6.2	.7
February.....	88.2	-1.9		1.9	1.5	.4
March.....	80.0	-8.1		8.1	7.5	.6
April.....	77.0	-3.0		3.0	2.7	.3
May.....	76.0	-1.0		1.0	.5	.5
June.....	69.6	-6.4		6.4	5.6	.8

Footnotes at end of table.

TABLE 46.—*Summary of sales and redemptions of Treasury notes, tax series and savings series, by series, by fiscal years 1942 through 1945 and by months during the fiscal year 1945*<sup>1</sup>—Continued

[Par values in millions of dollars]

Period	Amount out- standing end of fiscal year or month <sup>2</sup>	Net change during fiscal year or month	Sales	Redemptions and exchanges		
				Total	Received in payment of taxes	Redeemed for cash
Series B						
By fiscal years:						68.2
1942.....	2,959.7	+2,959.7	4,066.7	1,107.0	1,087.1	19.9
1943.....	764.8	-2,195.0	877.1	3,072.1	2,933.3	70.6
1944.....	22.1	-742.6		742.6	721.2	21.5
1945.....	4.4	-17.8		17.7	16.2	1.6
By months:						
1944—July.....	19.1	-3.0		3.0	2.9	.2
August.....	17.9	-1.2		1.2	1.1	.1
September.....	13.6	-4.3		4.3	4.1	.2
October.....	12.7	.9		.9	.7	.2
November.....	12.5	-2.2		2.2	2.3	.1
December.....	10.1	-2.4		2.4	2.3	.3
1945—January.....	8.9	-1.2		1.2	.9	.3
February.....	8.6	-4.4		4.4	2.2	.1
March.....	6.1	-2.5		2.5	2.4	.1
April.....	5.3	.8		.8	.7	.2
May.....	3.1	-1.1		1.1	.7	.2
June.....	4.4	-1.8		1.8	.7	.1
Series C						
By fiscal years:						
1943.....	6,464.0	+6,464.0	7,546.7	1,082.7	1,047.2	35.6
1944.....	9,447.7	+2,983.8	8,953.7	5,909.9	5,507.9	462.0
1945.....	10,067.5	+619.8	7,015.8	6,396.1	5,853.3	542.7
By months:						
1944—July.....	9,893.0	+445.2	665.5	220.2	183.6	36.6
August.....	9,923.4	+30.4	201.4	171.0	148.1	22.9
September.....	9,023.8	-899.6	281.7	1,181.3	1,158.4	22.9
October.....	8,976.4	-47.3	180.7	228.0	198.7	26.3
November.....	9,892.0	+915.6	1,081.7	166.0	124.2	41.9
December.....	9,747.9	-144.1	1,283.8	1,427.9	1,265.2	162.7



1945—January.....	9,776.4	+28.5	257.7	229.3	176.6	52.6
February.....	9,840.9	+64.6	212.4	147.8	127.7	20.1
March.....	8,869.8	-97.1	233.1	1,177.8	26.3	-----
April.....	9,033.9	+164.1	407.7	243.6	221.6	26.3
May.....	9,956.0	+922.1	1,096.8	174.6	123.8	22.0
June.....	10,067.5	+111.5	1,113.5	1,062.0	947.6	50.9
						54.4

NOTE.—Figures are rounded and will not necessarily add to totals. Details by months beginning August, 1941 will be found in the 1943 annual report, p. 640, and in the 1944 annual report, p. 706.

\* Less than \$50,000.

<sup>1</sup> All series originally issued as "Treasury notes-tax series." However, designation of Series C changed to "Treasury savings notes, Series C," on June 23, 1943. For a description of all series, see p. 613 of the 1944 annual report and p. 518 of this report.

<sup>2</sup> Includes matured notes.

TABLE 47.—*Sales of Treasury savings notes of Series C, by denominations, by fiscal years 1943 through 1945 and by months during the fiscal year 1945*

(On basis of daily Treasury statements and reports of sales)

Period	Sales in millions of dollars at par						Percentage distribution of sales					
	Denomination						Denomination					
	Total all denominations	\$1,000	\$1,500	\$1,000	\$5,000	\$10,000	\$100,000	\$500,000	\$1,000,000	\$5,000,000	\$10,000,000	\$1,000,000
By fiscal years:												
1943.....	7,546.7	2.7	5.3	38.6	52.6	159.7	224.9	85.9	95.8	100.0	4	8
1944.....	8,953.7	10.5	24.2	398.5	507.6	1,858.5	3,086.9	1,259.3	1,808.0	100.0	0.1	0.3
1945.....	7,013.8	13.6	32.8	264.3	414.0	1,488.0	2,378.5	827.2	1,597.5	100.0	0.2	0.5
By months:												
1944—July.....	665.5	2.7	5.3	38.6	52.6	159.7	224.9	85.9	95.8	100.0	4	8
August.....	201.4	2	6	5.8	9.3	36.7	62.0	23.6	61.2	100.0	1	3
September.....	281.7	3	6	5.9	10.4	46.5	76.6	43.9	97.5	100.0	1	2
October.....	180.7	2	5	5.1	7.9	31.1	59.3	9.4	67.2	100.0	1	3
November.....	1,081.7	1.1	3.2	33.5	56.2	215.3	385.1	123.3	263.9	100.0	1	3
December.....	1,283.8	2.6	9.0	66.7	104.0	333.8	490.9	134.8	172.0	100.0	2	7
1945—January.....	257.7	8	1.3	8.5	12.4	48.4	77.8	41.2	67.5	100.0	3	5
February.....	212.4	4	8	5.7	10.0	38.4	75.4	17.6	63.9	100.0	2	4
March.....	233.1	5	7	6.1	8.9	36.4	73.9	24.2	82.5	100.0	2	3
April.....	407.7	4	8	7.7	11.8	62.0	123.5	73.8	127.6	100.0	1	2
May.....	1,096.8	2.2	4.4	38.4	59.2	290.3	387.2	136.1	249.0	100.0	2	4
June.....	1,113.5	2.2	5.6	42.3	71.3	249.4	371.9	121.4	249.4	100.0	2	5

NOTE.—Dollar figures are rounded and will not necessarily add to totals. Details by months beginning August, 1941 on sales of tax series and savings series notes will be found in the 1943 annual report, p. 643, and in the 1944 annual report, p. 708.

<sup>1</sup> Denominations of \$100 and \$500 were first offered in November 1943.

TABLE 48.—*Sales of Treasury savings notes of Series C, by type of purchasers, by fiscal years 1943 through 1945, and by months during the fiscal year 1945*

[On basis of daily Treasury statements and reports of sales]

Period	Sales in millions of dollars at par			Percentage distribution of sales		
	Total	Type of purchaser		Total	Type of purchaser	
		Individuals, partnerships, and fiduciaries	Corporations		Individuals, partnerships, and fiduciaries	Corporations
By fiscal years:						
1943.....	7,546.7	611.3	6,935.4	100.0	8.1	91.9
1944.....	8,933.7	654.9	8,298.7	100.0	7.3	92.7
1945.....	7,015.8	434.7	6,581.3	100.0	6.2	93.8
By months:						
1944—July.....	665.5	50.6	614.9	100.0	7.6	92.4
August.....	201.4	8.9	192.5	100.0	4.4	95.6
September.....	281.7	15.8	265.9	100.0	5.6	94.4
October.....	180.7	9.8	170.9	100.0	5.4	94.6
November.....	1,081.7	53.5	1,028.2	100.0	4.9	95.1
December.....	1,283.8	77.1	1,206.7	100.0	6.0	94.0
1945—January.....	257.7	18.8	238.9	100.0	7.3	92.7
February.....	212.4	19.1	193.3	100.0	9.0	91.0
March.....	293.1	18.2	274.9	100.0	7.8	92.2
April.....	407.7	34.7	373.0	100.0	8.5	91.5
May.....	1,096.8	65.8	1,031.0	100.0	6.0	94.0
June.....	1,113.5	62.4	1,051.1	100.0	5.6	94.4

NOTE.—Dollar figures are rounded and will not necessarily add to totals. Details by months beginning August 1941 on sales of tax series and savings series notes will be found in the 1943 annual report, p. 645, and in the 1944 annual report, p. 709.

## Interest on the public debt

TABLE 49.—*Interest on the public debt, payable, paid, and outstanding unpaid, fiscal year 1945*

[On basis of Public Debt accounts, see p. 437]

Issue	Outstanding unpaid, June 30, 1944	Due and payable during 1945	Payments during 1945	Outstanding unpaid, June 30, 1945
Conversion bonds, etc.	\$316,014.61	\$2,360,864.52	\$2,237,723.27	\$439,155.86
Postal savings bonds.	191,670.20	2,930,692.50	2,903,233.75	219,128.95
Liberty bonds and Victory notes	5,439,913.35	14.60	98,458.50	5,341,469.45
Treasury bonds.	42,973,888.41	1,998,988,924.69	1,980,334,926.79	61,627,886.31
Treasury notes.	61,796,689.40	574,209,448.13	527,307,090.01	108,699,047.52
Certificates of indebtedness.	1,641,556.42	390,567,341.41	388,419,396.83	3,789,501.00
Treasury (war) savings securities <sup>1</sup> .	3,185,515.00		27,435.00	3,158,080.00
Treasury bills <sup>1</sup> .		62,704,966.61	62,704,966.61	
United States savings bonds, Series A to F <sup>1</sup> .		387,010,134.19	387,010,134.19	
United States savings bonds, Series G.	1,223,987.72	206,183,308.15	205,200,439.22	2,209,856.65
Adjusted service bonds.	52,382,103.48	30,156,398.30	55,957,325.78	26,581,176.00
Depository bonds.	11,647.95	9,838,217.89	9,746,454.92	103,410.92
Total.	169,162,986.54	3,664,950,310.99	3,621,947,584.87	212,165,712.66

<sup>1</sup> Amounts represent discount treated as interest.TABLE 50.—*Interest paid on the public debt, by issues, fiscal years 1943 through 1945 <sup>1</sup>*

[On basis of Public Debt accounts, see p. 437]

Issues	Rate of interest	1943	1944	1945
Debt unmatured as of June 30 in the respective years:	Percent			
Panama Canal loan of 1961.	3	\$1,365,660.75	\$1,620,018.75	\$1,365,354.00
Conversion bonds of 1946-47.	3	863,122.75	863,068.50	871,674.75
Postal savings bonds.	2½	2,905,178.50	2,913,729.75	2,903,233.75
Treasury bonds:				
1947-52.	4¼	32,032,105.43	32,232,485.84	32,153,557.88
1944-54.	4	41,263,838.00	41,934,156.00	
1946-56.	3¾	18,275,905.90	18,291,452.53	18,261,792.99
1946-49.	3½	25,389,150.85	25,765,890.41	25,516,439.87
1951-55.	3	22,489,338.25	22,655,906.50	22,517,299.75
1943-45.	3¼	45,417,769.17		
1944-46.	3¼	49,224,953.94		
1946-48.	3	30,979,703.25	31,195,254.75	31,075,216.50
1949-52.	3½	15,320,985.94	15,423,178.95	15,329,170.31
1955-60.	2½	74,810,663.31	74,967,308.46	74,812,046.29
1945-47.	2¾	33,337,457.37	33,349,720.46	33,349,499.29
1948-51.	2¾	33,657,250.53	33,644,566.43	33,646,124.02
1951-54.	2¾	44,695,016.17	44,851,420.07	44,697,419.84
1956-59.	2¾	26,982,391.12	26,993,894.74	26,969,017.90
1949-53.	2½	44,439,985.32	44,762,778.44	44,636,907.30
1945.	2½	13,507,598.23	13,591,422.02	13,518,850.73
1948.	2½	11,276,909.17	11,264,718.25	11,276,078.29
1958-63.	2¾	25,139,905.09	25,322,994.39	25,264,284.69
1950-52.	2½	29,655,551.37	29,628,175.70	29,654,126.47
1960-65.	2¾	40,589,081.33	40,885,292.35	40,878,394.19
1947.	2	14,038,842.50	14,101,862.50	14,046,115.50
1948-50 (dated Dec. 8, 1939).	2	11,443,115.31	11,631,017.32	11,425,824.87
1948-50 (dated Mar. 15, 1941).	2	22,203,987.00	22,303,883.00	22,302,453.50
1949-51 (dated Jan. 15, 1942).	2	20,358,443.26	20,411,659.75	20,168,495.53
1949-51 (dated May 15, 1942).	2	21,486,544.75	25,742,336.13	25,969,360.58
1949-51 (dated July 15, 1942).	2	37,462,418.14	42,302,115.51	41,750,581.84
1952-54 (dated June 26, 1944).	2		<sup>2</sup> 19,320.21	106,955,451.31
1951-55.	2	10,074,687.50	10,270,224.50	10,182,707.00
1951-53.	2¼	25,233,527.91	25,212,762.58	25,115,170.25
1954-56.	2¼	15,256,947.41	15,400,376.31	15,299,614.75
1951-53.	2		72,352,359.51	158,866,390.00
1953-55.	2	14,500,482.89	14,561,825.27	14,473,868.00
1952-54.	2½	25,566,781.02	25,602,645.06	25,563,895.94
1956-58.	2½	36,193,888.72	36,234,457.97	36,227,105.08
1956-59.	2½		<sup>2</sup> 1,084,406.97	94,120,956.69
1959-62.	2½			<sup>2</sup> 4,481,626.50
1967-72 (dated Oct. 1941).	2½	67,750,165.26	67,859,513.62	67,830,110.30
1963-68.	2½	34,558,527.70	71,637,279.60	70,570,575.25
1967-72 (dated June 1, 1945).	2½			<sup>2</sup> 7,770,616.63
1964-69 (dated Apr. 15, 1943).	2½	13,575,666.13	91,027,876.84	93,600,952.80
1964-69 (dated Sept. 15, 1943).	2½		66,223,673.46	94,867,720.48
1966-71.	2½			23,106,019.49
1952-55.	2¼	33,553,907.55	33,884,159.90	33,731,622.42
1962-67.	2½	50,679,559.98	53,169,159.42	52,739,391.32
1950-52 (dated Oct. 19, 1942).	2	15,865,275.32	39,236,651.26	39,240,079.48
1952-54 (dated Dec. 1, 1944).	2			82,892,545.41
1965-70.	2½		<sup>2</sup> 661,620.98	112,875,031.77
1950-52 (dated Apr. 15, 1943).	2	<sup>2</sup> 3,525,786.07	89,327,322.88	98,453,739.26
1948.	1¾	25,887,891.80	54,006,007.88	53,565,585.48
1950.	1½			<sup>2</sup> 1,067,030.16

Footnotes at end of table.

TABLE 50.—Interest paid on the public debt, by issues, fiscal years 1943 through 1945<sup>1</sup>—Continued

Issues	Rate of interest	1943	1944	1945
Debt unmatured as of June 30 in the respective years—Continued.				
United States savings bonds:	<i>Percent</i>			
Series A-1935.....	<sup>3</sup> / <sub>2</sub> 9	\$6,724,664.25	\$7,605,614.50	\$7,482,510.50
Series B-1936.....	<sup>3</sup> / <sub>2</sub> 9	7,205,806.75	12,223,630.25	13,922,361.50
Series C-1937.....	<sup>3</sup> / <sub>2</sub> 9	9,563,232.50	9,364,014.25	16,504,089.25
Series C-1938.....	<sup>3</sup> / <sub>2</sub> 9	11,777,834.00	11,524,270.50	11,322,520.75
Series D-1939.....	<sup>3</sup> / <sub>2</sub> 9	19,876,713.75	19,401,295.50	19,014,351.75
Series D-1940.....	<sup>3</sup> / <sub>2</sub> 9	25,265,404.00	24,591,542.00	24,046,639.50
Series D-1941.....	<sup>3</sup> / <sub>2</sub> 9	11,585,758.50	11,272,334.50	10,998,718.50
Series E-1941.....	<sup>3</sup> / <sub>2</sub> 9	16,976,412.43	17,716,865.66	31,549,748.58
Series F-1941.....	<sup>3</sup> / <sub>2</sub> 5.3	1,722,214.61	2,848,327.62	3,985,925.16
Series E-1942.....	<sup>3</sup> / <sub>2</sub> 9	16,148,439.61	72,645,411.00	82,979,798.91
Series F-1942.....	<sup>3</sup> / <sub>2</sub> 5.3	764,948.35	4,970,435.42	8,008,559.74
Series G-1941, 1942, 1943, 1944, and 1945.....	<sup>3</sup> / <sub>2</sub> 5	76,519,226.87	139,472,860.56	205,200,439.22
Series E-1943.....	<sup>3</sup> / <sub>2</sub> 9		28,004,122.61	113,117,129.44
Series F-1943.....	<sup>3</sup> / <sub>2</sub> 5.3		1,022,089.90	5,661,004.72
Series E-1944.....	<sup>3</sup> / <sub>2</sub> 9			37,141,018.69
Series F-1944.....	<sup>3</sup> / <sub>2</sub> 5.3			1,275,757.20
Depository bonds.....	2		6,563,245.69	9,746,454.92
Adjusted service bonds of 1945.....	3	1,408,210.70	1,381,629.54	-----
Adjusted service bonds (Government life insurance fund, Series 1946).....	4 <sup>1</sup> / <sub>2</sub>	22,507,108.04	22,507,108.04	22,507,108.04
Treasury notes, public issues.....	Various	103,246,068.70	146,759,426.88	226,483,138.20
Treasury notes, special issues:				
Federal old-age and survivors insurance trust fund.....	2 <sup>1</sup> / <sub>2</sub>	33,202,500.00	26,127,500.00	7,980,000.00
Federal old-age and survivors insurance trust fund.....	2 <sup>3</sup> / <sub>8</sub>	14,321,250.00	14,321,250.00	14,321,250.00
Federal old-age and survivors insurance trust fund.....	1 <sup>7</sup> / <sub>8</sub>	211,900.68	20,391,188.49	25,500,000.00
Federal old-age and survivors insurance trust fund.....	2	3,578,794.55	9,180,000.00	9,180,000.00
Federal old-age and survivors insurance trust fund.....	2 <sup>1</sup> / <sub>8</sub>	4,024,109.58	5,100,000.00	5,100,000.00
Federal old-age and survivors insurance trust fund.....	2 <sup>1</sup> / <sub>4</sub>	15,264,000.00	15,264,000.00	15,264,000.00
Railroad retirement account.....	3	4,714,356.19	9,837,049.21	15,240,493.19
Civil service retirement fund.....	4	32,109,906.87	47,701,409.78	62,564,471.22
Civil service retirement fund.....	3	42,956.49	50,227.86	58,959.21
Foreign service retirement fund.....	4	220,321.32	250,785.57	252,700.27
Foreign service retirement fund.....	3			16.27
Canal Zone retirement fund.....	4	290,184.54	340,391.37	360,591.01
Canal Zone retirement fund.....	3		402.79	1,234.61
Alaska Railroad retirement fund.....	4	50,920.22	61,428.52	68,197.26
Postal Savings System <sup>4</sup> .....	2	338,254.26	3,507,146.14	10,190,065.98
Government life insurance fund.....	2	297,265.76	295,378.23	47,972.60
Federal Savings and Loan Insurance Corporation.....	2	87,983.78	625,655.61	806,596.44
National service life insurance fund.....	3	4,967,969.16	22,190,004.10	56,662,736.32
Federal Deposit Insurance Corporation.....	2	1,405,054.95	1,889,508.18	3,581,945.31
Certificates of indebtedness, public issues.....	<sup>7</sup> / <sub>8</sub>	28,960,720.85	56,008,432.64	57,491,729.53
Certificates of indebtedness, special issue: adjusted service certificate fund.....	4	2,518.25	21,042.62	89,917.81
Treasury bills <sup>5</sup> .....		30,667,937.77	51,201,300.61	62,704,966.61
Debt matured as of June 30 in the respective years:				
Old debt matured, issued prior to April 1, 1917.....	Various	241.44	198.99	344.52
Consols of 1930.....		10,756.75	1.25	350.00
First Liberty loan bonds.....	3 <sup>1</sup> / <sub>2</sub>	17,855.82	20,573.35	11,704.98
First Liberty loan bonds (converted).....	3 <sup>1</sup> / <sub>2</sub>	13.29	5.25	31.70
First Liberty loan bonds (converted).....	4	1,505.25	1,824.35	1,036.65
First Liberty loan bonds (converted).....	4 <sup>1</sup> / <sub>4</sub>	11,827.30	7,808.92	11,329.23
First Liberty loan bonds (second converted).....	4 <sup>1</sup> / <sub>4</sub>	12.74	8.51	117.94
Second Liberty loan bonds.....	4	3,726.00	3,017.00	2,340.12
Second Liberty loan bonds (converted).....	4 <sup>1</sup> / <sub>4</sub>	5,672.29	10,998.81	2,848.45
Third Liberty loan bonds.....	4 <sup>1</sup> / <sub>4</sub>	12,221.84	11,958.61	10,210.15
Fourth Liberty loan bonds.....	4 <sup>1</sup> / <sub>4</sub>	94,004.77	104,165.22	57,559.65
Victory notes.....	4 <sup>3</sup> / <sub>4</sub>	1,286.07	2,000.10	1,279.63
War savings certificates.....		50,475.00	33,175.00	26,635.00
Treasury savings certificates.....		225.00	25.00	800.00
Panama Canal loan of 1916-36.....		9.70		
Panama Canal loan of 1918-38.....		4.40		
Treasury bonds of 1940-43.....	3 <sup>3</sup> / <sub>8</sub>	31,016.53	25,732.45	9,200.41
Treasury bonds of 1941-43.....	3 <sup>3</sup> / <sub>8</sub>	61,580.52	17,685.17	14,805.32
Treasury bonds of 1943-45.....	4 <sup>1</sup> / <sub>4</sub> -3 <sup>1</sup> / <sub>4</sub>		23,962,237.36	261,713.35
Treasury bonds of 1943-47.....	3 <sup>3</sup> / <sub>8</sub>	15,204,825.29	1,409,218.24	76,886.98

Footnotes at end of table.



TABLE 50.—*Interest paid on the public debt, by issues, fiscal years 1943 through 1945*<sup>1</sup>—Continued

Issues	Rate of interest	1943	1944	1945
Debt matured as of June 30 in the respective years—Continued.	<i>Percent</i>			
Treasury bonds of 1944-54	4			\$22,652,278.00
Treasury bonds of 1941	3½	\$32,949.35	\$23,630.42	9,721.14
Treasury bonds of 1944-46	3½		49,789,831.49	1,082,004.27
Adjusted service bonds of 1945	3			33,450,217.74
Treasury notes, public issues	Various	14,700,294.73	19,257,252.95	49,347,678.72
Treasury notes, special issues:				
Old-age reserve account	3	13,061,621.92		
Railroad retirement account	3	1,062,493.15		
Federal old-age and survivors insurance trust fund	2½		7,075,000.00	18,147,500.00
Civil service retirement fund	4	5,636,000.00	5,016,000.00	5,958,718.19
National service life insurance fund	3			84,000.00
Foreign service retirement fund	4	22,657.43	27,062.39	56,006.03
Canal Zone retirement fund	4	20,311.66	21,170.06	41,495.90
Alaska Railroad retirement fund	4	8,482.84	6,328.85	7,323.28
Federal Deposit Insurance Corporation	2	783,791.21	115,846.99	
Postal Savings System	2	145,027.62	1,571,474.02	
Government life insurance fund	2	228,621.91	159,890.71	
Federal Savings and Loan Insurance Corporation	2		709.24	
Treasury certificates	2	36.00		
Certificates of indebtedness, public issues, at various interest rates		16,214,485.16	110,409,641.55	199,525,029.34
Certificates of indebtedness, special issues:				
Adjusted service certificate fund	4	730,256.99	725,454.80	843,895.09
Unemployment trust fund	2½	6,530,910.31		
Unemployment trust fund	2	2,978,871.03		
Unemployment trust fund	1½	723,843.21	93,777,764.42	117,113,787.31
Unemployment trust fund	2½	70,357,133.15		
Federal old-age and survivors insurance trust fund	1½			11,998,842.48
Government life insurance fund	3½			1,356,195.27
Total		1,813,008,496.73	2,610,117,272.01	3,621,947,584.87

<sup>1</sup> For details for the fiscal years 1918 to 1929, see annual report for 1929, p. 503; and for later years, similar tables in subsequent reports.

<sup>2</sup> Deduct excess of credits, collection of interest accruals, and counter warrants adjustments.

<sup>3</sup> Approximate yield if held to maturity.

<sup>4</sup> Includes interest on Canal Zone Postal Savings System, Treasury notes. <sup>5</sup> Sold on a discount basis.

TABLE 51.—*Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, at the end of the fiscal years 1916 through 1945, and at the end of each month during the fiscal year 1945*<sup>1</sup>

[On basis of Public Debt accounts through June 1942, and subsequently on basis of daily Treasury statements, see p. 437]

End of fiscal year or month	Interest-bearing debt <sup>2</sup>	Computed annual interest charge	Computed rate of interest
June 30—			<i>Percent</i>
1916	\$971,562,590	\$23,084,635	2.376
1917	2,712,549,476	83,625,482	3.120
1918	11,985,882,436	468,618,544	3.910
1919	25,234,496,273	1,054,204,509	4.178
1920	24,061,095,361	1,016,592,219	4.225
1921	23,737,352,080	1,029,917,903	4.339
1922	22,711,035,587	962,896,535	4.240
1923	22,007,590,754	927,331,341	4.214
1924	20,981,586,429	876,960,673	4.180
1925	20,210,906,251	829,680,044	4.105
1926	19,383,770,860	793,423,952	4.093
1927	18,250,943,965	722,675,553	3.960
1928	17,317,695,096	671,353,112	3.877
1929	16,638,941,379	656,654,311	3.946
1930	15,921,892,350	606,031,831	3.807
1931	16,519,588,640	588,987,438	3.566
1932	19,161,273,540	671,604,676	3.505
1933	22,157,643,120	742,175,955	3.350
1934	26,480,487,920	842,301,133	3.181
1935	27,645,229,826	750,677,802	2.716
1936	32,755,631,770	838,002,053	2.559
1937	35,802,586,915	924,347,089	2.582
1938	36,578,684,982	947,164,071	2.589
1939	39,891,844,494	1,037,107,765	2.600

Footnotes at end of table.

TABLE 51.—*Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, at the end of the fiscal years 1916 through 1945, and at the end of each month during the fiscal year 1945—Continued*

End of fiscal year or month	Interest-bearing debt <sup>2</sup>	Computed annual interest charge	Computed rate of interest
June 30—Continued.			
1940.....	\$42,380,009,306	\$1,094,721,802	\$2.583
1941.....	48,404,879,488	1,218,693,931	2.518
1942.....	72,041,190,333	1,645,975,092	2.285
1943.....	135,380,305,795	2,678,779,036	1.979
1944.....	199,543,355,301	3,849,254,656	1.929
1945.....	256,356,615,818	4,963,730,414	1.936
End of month—			
1944—July.....	207,117,189,352	3,990,241,868	1.927
August.....	208,288,649,515	4,014,866,604	1.928
September.....	207,850,376,307	4,026,212,766	1.937
October.....	208,607,725,241	4,040,832,167	1.937
November.....	210,774,288,492	4,072,647,278	1.932
December.....	228,891,263,313	4,392,741,870	1.919
1945—January.....	230,671,808,286	4,436,912,822	1.924
February.....	231,854,471,825	4,465,475,178	1.926
March.....	232,026,165,225	4,471,792,186	1.927
April.....	233,062,841,198	4,496,058,508	1.929
May.....	235,761,191,734	4,553,352,116	1.931
June.....	256,356,615,818	4,963,730,414	1.936

<sup>1</sup> For monthly data back to June 30, 1916, see annual reports for 1929, p. 509; for 1936, p. 442; and corresponding tables in subsequent reports.

<sup>2</sup> The interest-bearing debt includes discount on Treasury bills from June 30, 1930, the amount being deducted from the interest-bearing debt prior to calculating the average interest rate. Savings bonds of series A-F, beginning March 1935, are included in interest-bearing debt at their current redemption value, while Treasury notes (tax and savings series), beginning August 1941, are included at face amount. In computing the average rate of interest, the rates used for both savings bonds and tax and savings notes are based upon the annual yield on such obligations if held to maturity.

TABLE 52.—*Interest paid on the securities issued or guaranteed by the United States Government, classified by tax status, fiscal years 1913 through 1945*

[On basis of Public Debt accounts, see p. 437]

Fiscal year	Grand total					Special issues to Government agencies and trust funds
	Total	Tax-exempt			Taxable	
		Total	Wholly	Partially		
1913.....	\$22,899,108.08	\$22,899,108.08	\$22,899,108.08			
1914.....	22,863,956.70	22,863,956.70	22,863,956.70			
1915.....	22,902,897.04	22,902,897.04	22,902,897.04			
1916.....	22,900,313.03	22,900,313.03	22,900,313.03			
1917.....	24,742,129.42	24,742,129.42	24,742,129.42			
1918.....	197,526,608.36	197,526,608.36	144,428,106.25	\$53,098,502.11		
1919.....	615,867,337.32	615,867,337.32	72,399,358.41	543,467,978.91		
1920.....	1,024,024,440.02	1,024,024,440.02	71,378,560.78	952,645,879.24		
1921.....	996,676,803.75	996,676,803.75	84,817,537.26	911,859,266.49		
1922.....	989,485,409.93	989,485,409.93	71,961,288.44	917,524,121.49		
1923.....	1,055,088,486.44	1,055,088,486.44	70,517,091.98	984,571,394.46		
1924.....	938,740,771.79	938,740,771.79	70,422,193.17	868,318,578.62		
1925.....	882,014,950.03	881,957,306.19	69,056,550.99	812,900,755.20		\$57,643.84
1926.....	831,469,206.12	827,649,874.62	65,142,335.84	762,507,538.78		3,819,331.50
1927.....	787,793,764.08	779,456,766.83	64,824,104.36	714,632,662.47		8,336,997.25
1928.....	731,850,073.89	717,443,778.31	66,097,950.10	651,345,828.21		14,406,295.58
1929.....	678,980,351.20	662,906,510.45	65,129,844.68	597,776,665.77		16,073,840.75
1930.....	658,602,154.96	629,632,481.69	67,767,721.14	561,864,760.55		28,969,673.27
1931.....	610,758,025.42	570,013,183.79	103,241,602.57	466,771,581.22		40,744,841.63
1932.....	599,722,595.24	588,948,616.31	116,232,545.69	472,716,070.62		10,773,978.93
1933.....	689,243,011.82	674,708,349.31	202,013,327.75	472,695,021.56		14,534,662.51
1934.....	759,559,326.33	745,203,328.28	248,717,774.86	496,485,551.42		14,356,000.05
1935.....	913,052,028.92	895,834,604.93	292,745,100.46	603,089,504.47		17,217,423.99
1936.....	867,367,943.91	842,027,963.73	262,340,559.32	579,687,404.41		25,339,980.18
1937.....	985,411,586.18	936,900,876.16	239,014,792.17	697,886,083.99		48,510,710.02
1938.....	1,041,109,048.36	967,300,236.77	216,374,331.75	750,925,905.02		73,808,811.59
1939.....	1,055,806,779.72	954,398,628.19	147,000,279.74	807,398,348.45		101,408,151.53
1940.....	1,151,376,049.80	1,019,528,812.69	104,224,687.26	915,304,025.43		131,847,337.11
1941.....	1,221,067,348.64	1,060,941,089.18	79,202,618.97	981,738,470.21	\$486,589.99	159,639,669.47
1942.....	1,385,670,031.26	1,020,162,592.31	57,082,739.04	963,079,353.27	166,069,450.57	199,437,988.38
1943.....	1,895,023,925.26	962,243,370.01	38,251,077.33	923,992,292.68	691,496,361.47	241,284,193.78
1944.....	2,687,999,788.14	917,838,020.77	27,163,927.79	890,674,092.98	1,462,003,589.38	308,158,177.99
1945.....	3,639,978,001.83	793,444,710.36	45,316,088.92	748,128,621.44	2,441,147,272.38	405,386,019.09

TABLE 52.—Interest paid on the securities issued or guaranteed by the United States Government, classified by tax status, fiscal years 1913 through 1945—Continued

Fiscal year	U. S. Government				
	Total	Tax-exempt		Taxable	Special issues to Government agencies and trust funds
		Wholly	Partially		
1913.....	\$22,899,108.08	\$22,899,108.08			
1914.....	22,863,956.70	22,863,956.70			
1915.....	22,902,897.04	22,902,897.04			
1916.....	22,900,313.03	22,900,313.03			
1917.....	24,742,129.42	24,742,129.42			
1918.....	197,526,608.36	144,428,106.25	\$53,098,502.11		
1919.....	615,867,337.32	72,399,358.41	543,467,978.91		
1920.....	1,024,024,440.02	71,378,560.78	952,645,879.24		
1921.....	996,676,803.75	84,817,537.26	911,859,266.49		
1922.....	989,485,409.93	71,961,288.44	917,524,121.49		
1923.....	1,055,088,486.44	70,517,091.98	984,571,394.46		
1924.....	938,740,771.79	70,422,193.17	868,318,578.62		
1925.....	882,014,950.03	69,056,550.99	812,900,755.20		\$57,643.84
1926.....	831,469,206.12	65,142,335.84	762,507,538.78		3,819,331.50
1927.....	787,793,764.08	64,824,104.36	714,632,662.47		8,336,997.25
1928.....	731,850,073.89	66,097,950.10	651,345,828.21		14,406,295.58
1929.....	678,980,351.20	65,129,844.68	597,776,665.77		16,073,840.75
1930.....	658,602,154.96	67,767,721.14	561,864,760.55		28,969,673.27
1931.....	610,758,025.42	103,241,602.57	466,771,581.22		40,744,841.63
1932.....	599,722,595.24	116,232,545.69	472,716,070.62		10,773,978.93
1933.....	689,243,011.82	202,013,327.75	472,695,021.56		14,634,662.51
1934.....	757,210,099.33	248,717,774.86	494,136,324.42		14,356,000.05
1935.....	821,486,422.26	292,745,100.46	511,523,897.81		17,217,423.99
1936.....	747,896,613.54	262,340,559.32	460,216,074.04		25,339,980.18
1937.....	866,798,692.94	239,014,792.17	579,273,190.75		48,510,710.02
1938.....	926,247,272.42	216,374,331.75	636,064,129.08		73,808,811.59
1939.....	940,958,138.78	147,000,279.74	692,549,707.51		101,408,151.53
1940.....	1,041,448,261.64	104,224,687.26	805,376,237.27		131,847,337.11
1941.....	1,110,205,219.13	79,202,618.97	870,876,340.70	\$486,589.99	159,639,669.47
1942.....	1,260,105,096.85	57,082,739.04	850,120,494.20	153,463,875.23	199,437,988.38
1943.....	1,813,008,496.73	38,251,077.33	857,377,525.32	676,095,700.30	241,284,193.78
1944.....	2,610,117,272.01	27,163,927.79	825,002,749.03	1,449,792,417.20	308,158,177.99
1945.....	3,621,947,584.87	45,316,088.92	734,928,797.35	2,436,316,679.51	405,386,019.09

Fiscal year	Federal instrumentalities: Guaranteed issues		
	Total	Partially tax-exempt	Taxable
1913.....			
1914.....			
1915.....			
1916.....			
1917.....			
1918.....			
1919.....			
1920.....			
1921.....			
1922.....			
1923.....			
1924.....			
1925.....			
1926.....			
1927.....			
1928.....			
1929.....			
1930.....			
1931.....			
1932.....			
1933.....			
1934.....	\$2,349,227.00	\$2,349,227.00	
1935.....	91,565,606.66	91,565,606.66	
1936.....	119,471,330.37	119,471,330.37	
1937.....	118,612,893.24	118,612,893.24	
1938.....	114,861,775.94	114,861,775.94	
1939.....	114,848,640.94	114,848,640.94	
1940.....	109,927,788.16	109,927,788.16	
1941.....	110,862,129.51	110,862,129.51	
1942.....	125,564,934.41	112,959,359.07	\$12,605,575.34
1943.....	82,015,428.53	66,614,767.36	15,400,661.17
1944.....	77,882,516.13	65,671,343.95	12,211,172.18
1945.....	18,030,416.96	13,199,824.09	4,830,592.87

NOTE.—The amount of interest paid includes the increase in the redemption value of United States savings bonds during the year and the discount on unmaturing issues of Treasury bills. Interest paid on guaranteed issues does not include about \$207,500 paid on Tennessee Valley Authority bonds "issued on the credit of the United States."





[illegible]

Footnotes on following page.

## FOOTNOTES TO TABLE 53

<sup>1</sup> Does not include obligations held by the Treasury and reflected in the public debt as follows:

Agency	Type of obligation	Payable	Amount
Commodity Credit Corporation.	Interim notes	June 30, 1946	\$1,591,000,000.00
Federal Farm Mortgage Corporation.	Bonds	do	108,000,000.00
Federal Public Housing Authority.	Notes	do	383,000,000.00
Home Owners' Loan Corporation.	Bonds	do	1,009,982,000.00
Reconstruction Finance Corporation.	Notes	Jan. 1, 1948	9,019,947,123.79
Tennessee Valley Authority.	Bonds	Various	56,772,500.00
Total			12,168,701,623.79

<sup>2</sup> The obligations listed hereunder are unconditionally guaranteed as to principal and interest.

<sup>3</sup> Income derived from these securities is subject to all Federal taxes, now or hereafter imposed. The securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, municipal, or local taxing authority.

<sup>4</sup> Represents drafts and invoices paid by commercial banks for the account of Commodity Credit Corporation. Includes amounts of demand obligations outstanding which had not been reported in time for inclusion in the statement published in the daily Treasury statement of July 2, 1945.

<sup>5</sup> The National Housing Act as amended by the National Housing Act Amendments of 1938, approved Feb. 3, 1938, reads in part as follows: "Such debentures as are issued in exchange for property covered by mortgages insured under sec. 203 or sec. 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures. \* \* \* Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941 interest upon and gain from the sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

<sup>11</sup> On basis of Public Debt accounts the amounts of outstanding balances of contingent liabilities of the United States, as of June 30, 1945, are as follows:

Agency	Amount of outstanding balances on basis of daily Treasury statement	Items in transit	Amount of outstanding balances on basis of Public Debt accounts
Commodity Credit Corporation	\$450,438,019.83	+\$225.00	\$450,438,244.83
Federal Farm Mortgage Corporation	8,237,137.83	-94,582.82	8,142,555.01
Federal Housing Administration	33,930,536.23		33,930,536.23
Federal Public Housing Authority	8,226.85		8,226.85
Home Owners' Loan Corporation	16,898,697.75	-742,351.91	16,126,345.84
Reconstruction Finance Corporation	19,126.75		19,126.75
Total	509,501,745.24	-836,709.73	508,665,035.51

<sup>12</sup> The Secretary of Agriculture is authorized pursuant to act of May 12, 1933, to borrow money upon all cotton in his possession or control and deposit, as collateral for such loans, warehouse receipts for such cotton.

<sup>13</sup> The faith of the United States is solemnly pledged to the payment of the deposits made in postal savings depository offices, with accrued interest thereon.

<sup>14</sup> Under the Public Debt Act of 1941, income derived from deposits made subsequent to Mar. 1, 1941, is subject to all Federal taxes.

<sup>15</sup> Interest payable quarterly from first day of month next following the date of deposit. Amount shown is as of June 30, 1945, which figure was not available for use in the statement published in the daily Treasury statement of July 2, 1945. Offset by cash in designated depository banks amounting to \$7,904,432.14, which is secured by the pledge of collateral as provided in the Regulations of the Postal Savings System, having a face value of \$9,287,150; cash in possession of the System amounting to \$100,614,357.11; Government securities with a face value of \$2,574,764.510; and other assets.

<sup>16</sup> Amount shown is as of June 30, 1945, which figure was not available for use in the statement published in the daily Treasury statement of July 2, 1945. Offset by cash on hand and in depository banks amounting to \$229,056.83; Government securities with a face value of \$9,496,720; and other assets.

<sup>17</sup> Bonds which have been issued by the Tennessee Valley Authority on the credit of the United States as provided in sec. 15 of the Tennessee Valley Authority Act of 1933 as amended, have all the rights and privileges accorded by law to Panama Canal bonds

TABLE 54.—*Contingent liabilities of the United States as of June 30, 1936 through 1945*

[In thousands of dollars. On basis of daily Treasury statements, see p. 437]

Agency	Obligation	Face amount of contingent liability <sup>1</sup>									
		June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945
GUARANTEED BY THE UNITED STATES											
UNMATURED OBLIGATIONS											
Commodity Credit Corporation.....	Notes.....			206,174	206,174	406,794	696,252	701,054	480,065	2704,333	2 450,355
Federal Farm Mortgage Corporation.....	Bonds.....	1,422,185	1,422,191	1,409,760	1,379,410	1,269,388	1,269,388	929,764	929,764		
Federal Housing Administration:											
Mutual mortgage insurance fund.....	Debentures.....		90	583	2 634	5,477	8,049	8,620	8,797	8,518	8,347
Housing insurance fund.....	do.....					2,024	9,304	12,844	14,662	13,043	9,538
War housing insurance fund.....	do.....									1,972	16,045
Federal Public Housing Authority.....	Notes.....				114,157	114,157	226,256	114,157	114,157		
Home Owners' Loan Corporation.....	Bonds.....	3,044,218	2,987,079	2,937,169	2,927,949	2,603,360	2,408,921	1,562,806	1,533,482	754,904	1,562,806
Reconstruction Finance Corporation.....	Notes.....	251,630	255,235	298,873	819,689	1,096,357	1,741,449	1,219,251	1,010,760	176,000	
Total unmatured obligations.....		4,718,033	4,664,595	4,852,559	5,450,013	5,497,557	6,359,019	4,548,496	4,091,687	1,658,770	484,286

<sup>4</sup> Redeemable on any interest day or days, on 3 months' notice.

<sup>7</sup> With reference to the debentures issued prior to Mar. 1, 1941, in the name of the housing insurance fund, the National Housing Act Amendments of 1938, approved Feb. 3, 1938, states that "Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under the Public Debt Act of 1941 interest upon and gain from the sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

<sup>8</sup> Debentures authorized to be issued by the U. S. Maritime Commission under the Federal Ship Mortgage Insurance Act, shall be fully and unconditionally guaranteed as to principal and interest by the United States.

<sup>9</sup> Amounts differ from those in the daily Treasury statement of July 2, 1945, in order to exclude \$200 of bonds held by Home Owners' Loan Corporation pending cancellation.

<sup>10</sup> Funds have been deposited with the Treasurer of the United States for payment of outstanding matured principal and interest.

authorized by sec. 8 of the act of June 28, 1902, ch. 1302, as amended by the act of Dec. 21, 1905 (ch. 3, sec. 1, 34 Stat. 5), as now compiled in sec. 743 of Title 31 of the United States Code.

<sup>19</sup> Held by the Reconstruction Finance Corporation. Takes into account redemptions of \$2,000,000 which transaction had not been reported in time for inclusion in the daily Treasury statement of July 2, 1945.

<sup>20</sup> Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, in Washington, D. C., or at any Federal Reserve bank.

<sup>21</sup> Amount shown is as of June 30, 1946, which figure was not available for use in the statement published in the daily Treasury statement of July 2, 1945. Amount shows actual circulation, exclusive of \$999,301,881.54, redemption fund deposited in the Treasury and \$832,115,975 of their own Federal Reserve notes held by the issuing banks. The collateral security for Federal Reserve notes issued consists of \$10,968,000,000 in gold certificates and in credits with the Treasurer of the United States payable in gold certificates, \$12,961,423,000 face amount of U. S. Government securities and \$43,982,000 face amount of commercial paper.

TABLE 54.—Contingent liabilities of the United States as of June 30, 1936 through 1945—Continued  
[In thousands of dollars]

Agency	Obligation	Face amount of contingent liability 1										
		June 30, 1936	June 30, 1937	June 30, 1938	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945	
MATURED OBLIGATIONS												
Commodity Credit Corporation								42	137	7	82	
Federal Farm Mortgage Corporation						354	142	13,946	1,959	42,913	7,830	
Federal Housing Administration								13	16	17	8	
Mutual mortgage insurance fund							26	5		66		
Federal Public Housing Authority							10,396	5,289	5,863	64,251	16,128	
Home Owners' Loan Corporation		10	233		821	30,906		401	251	176	19	
Reconstruction Finance Corporation												
Total matured obligations		10	233	233	821	31,259	10,564	19,696	8,256	107,431	24,067	
Total, based on guarantees		4,718,033	4,664,605	4,852,792	5,450,834	5,528,816	6,370,183	4,568,192	4,099,943	1,766,201	508,352	
ON CREDIT OF THE UNITED STATES												
Secretary of Agriculture	Notes											
U. S. Postal Savings System	Funds due depositors	1,231,747	1,267,750	1,251,875	1,292,370	1,293,504	1,309,447	1,481,865	1,577,526	2,034,137	2,659,575	
Canal Zone Postal Savings System	do					2,238	3,153	5,772	8,181	8,595	9,468	
Tennessee Valley Authority 2	Bonds				8,300	8,300	8,300	8,300	8,300	6,300	6,400	
Total, based on credit of the United States.		1,231,747	1,267,750	1,251,875	1,270,670	1,304,043	1,320,900	1,495,936	1,594,007	2,049,032	2,673,343	
OTHER OBLIGATIONS												
Federal Reserve System	Federal Reserve notes	4,021,533	4,196,007	4,139,148	4,502,273	5,188,054	6,714,688	9,361,095	13,818,747	18,488,780	22,319,557	

NOTE.—These amounts do not include any matured interest for which funds have been deposited with the Treasurer of the United States for payment. Figures are rounded and will not necessarily add to totals.

<sup>1</sup> Figures prior to the fiscal year 1943 are on basis of Public Debt accounts. For reconciliation to basis of Public Debt accounts for the fiscal year 1945, see note 11, table 53.

<sup>2</sup> Includes amounts of demand obligations outstanding which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year.

<sup>3</sup> Amount shown is as of June 30, 1942, amount shown in the June 30, 1942, Public Debt statement is as of March 31, 1942.

<sup>4</sup> Amounts shown are as of June 30 of the respective year. These figures were not available for use in the statements published in the first daily Treasury statement of each fiscal year.

<sup>5</sup> Bonds held by the Reconstruction Finance Corporation.

<sup>6</sup> Takes into account redemptions of \$2,000,000 which transaction had not been reported in time for inclusion in the daily Treasury statement of July 2, 1945.



TABLE 55.—*Amounts of guaranteed obligations matured or called, and amounts redeemed, fiscal year 1945*

Description	Amounts matured or called	Amounts re- deemed <sup>1</sup>
Commodity Credit Corporation:		
5½% notes, Series D, 1941.....	(2)	\$2,000.00
1½% notes, Series G, 1945, matured Feb. 15, 1945.....	\$411,596,000.00	411,519,000.00
¼% demand obligations.....		<sup>3</sup> 16,170,179.78
1% demand obligations.....		<sup>3</sup> 1,846,957.98
1½% demand obligations.....		<sup>3</sup> 4,507,585.12
Total.....	411,596,000.00	434,045,722.88
Federal Farm Mortgage Corporation:		
3% bonds of 1942-47.....	(2)	278,200.00
2¾% bonds of 1942-47.....	(2)	37,900.00
3¼% bonds of 1944-64.....	(2)	5,662,200.00
3% bonds of 1944-49.....	(2)	29,105,400.00
Total.....		35,083,700.00
Federal Housing Administration:		
Mutual mortgage insurance fund:		
3% debentures, Series A, matured.....	550.00	550.00
2¾% debentures, Series B, tenth called.....	(2)	17,100.00
2¾% debentures, Series B, eleventh called.....	138,750.00	138,750.00
2¾% debentures, Series B, twelfth called.....	50,500.00	50,500.00
2¾% debentures, Series E, second called.....	27,000.00	27,000.00
2¾% debentures, Series E, third called.....	21,250.00	21,250.00
Housing insurance fund:		
2¾% debentures, Series C, first called.....	45,900.00	45,900.00
2¾% debentures, Series D, second called.....	3,458,400.00	3,458,400.00
Total.....	3,742,350.00	3,759,450.00
Federal Public Housing Authority:		
1¾% notes, Series B, 1944.....	(2)	58,000.00
Home Owners' Loan Corporation:		
2% bonds, Series E, 1938.....	(2)	40,000.00
1½% bonds, Series F, 1939.....	(2)	400.00
2¾% bonds, Series B, 1939-49.....	(2)	486,900.00
2¼% bonds, Series G, 1942-44.....	(2)	495,275.00
3% bonds, Series A, 1944-52.....	(2)	53,040,700.00
1½% bonds, Series M, 1945-47, called June 1, 1945.....	754,904,000.00	748,964,075.00
Total.....	754,904,000.00	803,027,350.00
Reconstruction Finance Corporation:		
1¾% notes, Series V, 1943.....	(2)	1,000.00
1% notes, Series W, 1944.....	(2)	156,000.00
Total.....		157,000.00
Grand total.....	1,170,242,350.00	1,276,131,222.88

<sup>1</sup> On the basis of daily Treasury statement.<sup>2</sup> Matured or called prior to fiscal year 1945.<sup>3</sup> Does not include liquidations by commercial banks direct.

TABLE 56.—Average yield on long-term Treasury bonds, by months, January 1930 through June 1945<sup>1</sup>

[Averages of daily figures. Percent per annum]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
PARTIALLY TAX-EXEMPT BONDS <sup>2</sup>													
1930...	3.43	3.41	3.29	3.37	3.31	3.25	3.25	3.26	3.24	3.21	3.19	3.22	3.29
1931...	3.20	3.30	3.27	3.26	3.16	3.13	3.15	3.18	3.25	3.63	3.63	3.93	3.34
1932...	4.26	4.11	3.92	3.68	3.76	3.76	3.58	3.45	3.42	3.43	3.45	3.35	3.68
1933...	3.22	3.31	3.42	3.42	3.30	3.21	3.20	3.21	3.19	3.22	3.46	3.53	3.31
1934...	3.50	3.32	3.20	3.11	3.02	2.98	2.92	3.03	3.20	3.10	3.07	3.01	3.12
1935...	2.88	2.79	2.77	2.74	2.72	2.72	2.69	2.76	2.85	2.85	2.83	2.84	2.79
1936...	2.81	2.78	2.73	2.70	2.68	2.69	2.68	2.64	2.65	2.68	2.60	2.59	2.69
1937...	2.56	2.54	2.66	2.83	2.80	2.81	2.78	2.78	2.82	2.82	2.78	2.73	2.74
1938...	2.69	2.68	2.67	2.66	2.56	2.58	2.58	2.57	2.63	2.55	2.56	2.56	2.61
1939...	2.54	2.51	2.43	2.38	2.27	2.22	2.23	2.27	2.67	2.60	2.46	2.35	2.41
1940...	2.30	2.32	2.26	2.26	2.39	2.40	2.30	2.31	2.25	2.21	2.09	2.01	2.26
1941...	2.12	2.22	2.12	2.07	2.04	2.01	1.98	2.01	2.02	1.98	1.95	2.06	2.05
1942...	2.10	2.17	2.10	2.07	2.06	2.04	2.04	2.06	2.08	2.09	2.10	2.13	2.09
1943...	2.11	2.11	2.12	2.05	1.96	1.91	1.91	1.92	1.90	1.90	1.94	1.95	1.98
1944...	1.95	1.93	1.91	1.94	1.94	1.91	1.89	1.90	1.93	1.93	1.90	1.87	1.92
1945...	1.81	1.75	1.70	1.68	1.68	1.63							
TAXABLE BONDS <sup>3</sup>													
1941...										2.34	2.34	2.47	
1942...	2.48	2.48	2.46	2.44	2.45	2.43	2.46	2.47	2.46	2.45	2.47	2.49	2.46
1943...	2.46	2.46	2.48	2.48	2.46	2.45	2.45	2.46	2.48	2.48	2.48	2.49	2.47
1944...	2.49	2.49	2.48	2.48	2.49	2.49	2.49	2.48	2.47	2.48	2.48	2.48	2.48
1945...	2.44	2.38	2.40	2.39	2.39	2.35							

<sup>1</sup> For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Prior to Sept. 1, 1941, yields were computed on the basis of the day's closing price on the New York Stock Exchange except that on days when an issue did not sell the yield was computed on the mean of closing bid and ask quotations on the Stock Exchange. Commencing Sept. 1, 1941, yields are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. For average yields by months from January 1919 through December 1929, see p. 662 of the annual report for 1943. The table below shows the issues of Treasury bonds which are included in the averages above.

Issue	Date bond is first included in average	Date bond is first excluded from average
PARTIALLY TAX-EXEMPT BONDS		
4½%, Oct. 15, 1947-52.....	Nov. 1, 1922	Oct. 15, 1935
4%, Dec. 15, 1944-54.....	Dec. 15, 1924	Dec. 15, 1932
3¾%, Mar. 15, 1946-56.....	Mar. 15, 1926	Mar. 15, 1934
3¾%, June 15, 1943-47.....	July 12, 1927	June 15, 1931
3½%, June 15, 1946-49.....	June 15, 1931	June 15, 1934
3%, Sept. 15, 1951-55.....	Sept. 15, 1931	Sept. 15, 1936
3½%, Dec. 15, 1949-52.....	Dec. 15, 1934	Nov. 30, 1935
2½%, Mar. 15, 1955-60.....	Mar. 15, 1935	Mar. 15, 1940
2¾%, Sept. 15, 1956-59.....	Sept. 15, 1936	Sept. 15, 1941
2¾%, June 15, 1958-63.....	June 15, 1938	June 15, 1943
2¾%, Dec. 15, 1960-65.....	Dec. 15, 1933	
TAXABLE BONDS		
2½%, Sept. 15, 1967-72.....	Oct. 20, 1941	
2½%, June 15, 1962-67.....	July 6, 1942	
2½%, Dec. 15, 1963-68.....	Dec. 3, 1942	
2½%, June 15, 1964-69.....	May 3, 1943	
2½%, Dec. 15, 1964-69.....	Oct. 11, 1943	
2½%, Mar. 15, 1965-70.....	Feb. 16, 1944	
2½%, Mar. 15, 1966-71.....	Dec. 18, 1944	

<sup>2</sup> From July 17, 1928, through Nov. 29, 1935, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 12 years; from Nov. 30, 1935, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 15 years.

<sup>3</sup> Average of all taxable Treasury bonds neither due nor callable for 15 years. Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

TABLE 57.—Prices and yields of public marketable securities issued or guaranteed by the United States, June 30, 1944, and June 30, 1945, and price ranges since first traded <sup>1</sup>									
[Price decimals are thirty-seconds]									
Issue	June 30, 1944				June 30, 1945				Price range since first traded
	Price		Yield to—		Price		Yield to—		
	Bid	Ask	Call	Maturity	Bid	Ask	Call	Maturity	
Securities issued by the United States Government <sup>2</sup>									
			Percent	Percent			Percent	Percent	
Treasury bonds:									
4%, Dec. 15, 1944-54 <sup>3</sup>	101.19+	101.20+	0.39	3.81	100.14+	100.15+	0.44	---	Dec. 12, 1940
2½%, Sept. 15, 1945-47 <sup>4</sup>	102.20	102.21	0.55	1.90	100.29	100.30	0.43	---	Dec. 14, 1940
2½%, Dec. 15, 1945	102.25	102.27	0.55	0.55	100.10	100.12	0.41	3.49	Dec. 14, 1940
3½%, Mar. 15, 1946-56	105.10	105.12	3.20	1.77	102.10	102.12	0.47	2.15	Dec. 16, 1940
3%, June 15, 1946-48	104.20	104.22	0.60	0.60	102.16	102.18	0.46	2.45	Dec. 14, 1940
3½%, June 15, 1946-49	104.28	104.30	0.59	0.59	102.12	102.14	0.47	2.45	Dec. 14, 1940
4½%, Oct. 15, 1947-52	110.29	110.31	0.86	2.76	108.12	108.14	0.55	2.96	Oct. 8, 1923
2½%, Dec. 15, 1947	104.02	104.04	0.79	---	103.13	103.15	0.59	---	Dec. 12, 1940
2½%, Mar. 15, 1948-50	101.28	101.30	1.47	1.65	102.09	102.10	1.13	1.49	Dec. 12, 1940
2½%, Mar. 15, 1948-51	106.15	106.17	0.96	1.72	105.12	105.14	0.73	1.75	Aug. 2, 1941
1½%, June 15, 1948	101.07+	101.09+	1.42	---	101.24	101.25	1.15	---	Dec. 12, 1940
2½%, Dec. 15, 1948	106.14	106.16	0.89	0.93	103.20	103.22	0.71	---	Dec. 12, 1940
2½%, Dec. 15, 1948-50	104.25	104.27	1.23	1.23	104.10	104.12	0.72	---	May 2, 1945
2½%, June 15, 1949-51	101.21	101.23	1.64	1.74	102.30+	102.31+	1.23	1.48	May 2, 1945
2½%, Sept. 15, 1949-51	101.17	101.19	1.69	1.71	103.00	103.01	1.27	1.49	May 2, 1945
2½%, Dec. 15, 1949-51	101.15	101.17	1.71	1.78	103.02	103.03	1.29	1.50	May 1, 1945
3½%, Dec. 15, 1949-52	110.14	110.16	1.14	1.79	109.26	109.28	0.87	1.71	Dec. 12, 1940
2½%, Dec. 15, 1949-53	106.31	106.33	1.17	1.70	107.03	107.05	0.87	1.60	Dec. 10, 1940
2½%, Mar. 15, 1950-52	101.09	101.11	1.76	1.82	103.02	103.03	1.33	1.52	May 7, 1945
2½%, Sept. 15, 1950-52	107.17	107.19	1.23	1.52	107.31	108.01	0.92	1.33	Dec. 10, 1940
2½%, Sept. 15, 1950-52	100.30	101.00	1.83	1.87	103.06+	103.07+	1.30	1.53	June 30, 1945
1½%, Dec. 15, 1950	109.13	109.15	1.32	1.71	109.30	110.00	1.02	1.55	Nov. 12, 1941
2½%, June 15, 1951-54	100.13+	100.14	1.93	1.95	103.06+	103.07+	1.46	1.58	June 30, 1945
3½%, Sept. 15, 1951-53	111.04	111.06	1.37	1.89	111.17	111.19	1.07	1.76	Dec. 30, 1940
3%, Sept. 15, 1951-55	106.22	106.24	1.30	1.49	107.14	107.16	1.05	1.31	Mar. 10, 1945
2½%, Dec. 15, 1951-53	100.17	100.19	1.92	1.95	103.07	103.09	1.47	1.66	June 30, 1945
2½%, Dec. 15, 1951-55	103.24	103.26	1.97	2.07	106.07	106.09	1.52	1.72	Aug. 2, 1941
2½%, Mar. 15, 1952-54	( <sup>5</sup> )	( <sup>5</sup> )	1.98	2.05	103.08	103.09	1.51	1.61	June 30, 1945
2½%, June 15, 1952-54	101.30	102.00	1.98	2.05	104.22	104.24	1.53	1.73	June 30, 1945
2½%, Dec. 15, 1952-55	( <sup>5</sup> )	( <sup>5</sup> )	1.36	1.47	103.08	103.09	1.54	1.63	June 30, 1945
2½%, Dec. 15, 1952-54	105.10	105.12	1.36	1.47	106.29	106.31	1.09	1.26	Apr. 19, 1945
2½%, June 15, 1953-55	105.10	105.12	1.36	1.47	106.29	106.31	1.09	1.26	Apr. 19, 1945
Footnotes at end of table.									

Footnotes at end of table.





1½% C, Sept. 15, 1947.	100.13	100.14	1.39	100.12	100.13	1.08	100.23	Mar. 5, 1945	100.06	Dec. 27, 1944
1½% A, Sept. 15, 1948.				101.03	101.04	1.14	101.07	Apr. 26, 1945	100.05	Mar. 8, 1944
Certificates of indebtedness: <sup>1</sup>										
¾% D, Aug. 1, 1944.	.28%	.22%	.25							
¾% E, Sept. 1, 1944.	.57%	.54%	.56							
¾% F, Oct. 1, 1944.	.65%	.63%	.64							
¾% G, Dec. 1, 1944.	.73%	.71%	.72							
¾% A, Feb. 1, 1945.	.80%	.77%	.78							
¾% B, Apr. 1, 1945.	.80%	.78%	.79							
¾% C, May 1, 1945.	.79%	.77%	.78							
¾% D, June 1, 1945.	( <sup>2</sup> )	( <sup>3</sup> )								
¾% E, Aug. 1, 1945.				40%	34%	37	36%	June 27, 1945	80%	Nov. 21, 1944
¾% F, Sept. 1, 1945.				60%	57%	.58	.58%	June 30, 1945	81%	Nov. 21, 1944
¾% G, Oct. 1, 1945.				70%	68%	.60	.64%	Apr. 5, 1945	81%	Nov. 21, 1944
¾% H, Dec. 1, 1945.				78%	76%	.77	.68%	Apr. 5, 1945	82%	Dec. 19, 1944
¾% A, Feb. 1, 1946.				80%	78%	.79	.73%	Apr. 4, 1945	83%	Jan. 24, 1945
¾% B, Mar. 1, 1946.				81%	79%	.80	.74%	Apr. 4, 1945	80%	June 30, 1945
¾% C, Apr. 1, 1946.				82%	80%	.81	.75%	Apr. 4, 1945	81%	June 30, 1945
¾% D, May 1, 1946.				81%	79%	.80	.79%	June 28, 1945	81%	June 18, 1945
¾% E, June 1, 1946.				( <sup>4</sup> )	( <sup>5</sup> )					

Securities guaranteed by the United States Government <sup>5</sup>

Home Owners' Loan Corporation bonds:	100.20	100.31	.47	1.17						
1½% M, June 1, 1945-47 <sup>1</sup>	100.04	100.06	.87							
Commodity Credit Corporation notes:										
1½% G, Feb. 15, 1945.										

<sup>1</sup> Prices on June 30 are closing bid and ask quotations in the over-the-counter market as compiled by the Federal Reserve Bank of New York. Prices in the range columns are mean of closing bid and ask quotations in the over-the-counter market except that Treasury bond prices prior to Oct. 1, 1939, and guaranteed bond prices prior to Oct. 1, 1939, are closes on the New York Stock Exchange. "When issued" prices are included in price range beginning Oct. 1, 1939. Dates of highs and lows, in case of recurrence, are the latest dates. Yields are percent per annum. For a description of each issue outstanding on June 30, 1945, and the amount outstanding, see tables 20 and 53, pp. 511 and 602, respectively. For a description of each issue outstanding on June 30, 1944, and the amount outstanding, see tables 22 and 55, pp. 603 and 716, respectively, annual report of the Secretary for 1944.

<sup>2</sup> Excludes Treasury bills.<sup>3</sup> Called on Aug. 14, 1944, for redemption on Dec. 15, 1944.<sup>4</sup> Called on May 14, 1945, for redemption on Sept. 15, 1945.<sup>5</sup> Not quoted.<sup>6</sup> Excludes postal savings bonds.<sup>7</sup> Quoted on a yield basis.<sup>8</sup> Excludes Federal Housing Administration debentures and issues held entirely by Government agencies.<sup>9</sup> Called on Mar. 23, 1945, for redemption on June 1, 1945.

# CONDITION OF THE TREASURY EXCLUSIVE OF PUBLIC DEBT LIABILITIES

TABLE 58.—*Current assets and liabilities of the Treasury on June 30, 1944 and 1945*

[On basis of daily Treasury statements, see p. 437]

	June 30, 1944	June 30, 1945	Increase or decrease (—)
<b>GOLD</b>			
Assets: Gold.....	\$21, 173, 401, 741.86	\$20, 212, 930, 614.08	—\$960, 471, 127.78
Liabilities:			
Gold certificates 1.....	2, 869, 436, 209.00	2, 867, 559, 279.00	—1, 876, 930.00
Gold certificate fund—Board of Governors, Federal Reserve System.....	15, 783, 930, 886.13	14, 539, 769, 813.34	—1, 244, 161, 072.79
Redemption fund—Federal Reserve notes.....	410, 180, 308.74	699, 301, 881.54	289, 121, 572.80
Gold reserve 2.....	156, 039, 430.93	156, 039, 430.93	—
Exchange stabilization fund.....	1, 800, 000, 000.00	1, 800, 000, 000.00	—
Gold in General Fund.....	153, 814, 907.06	150, 260, 209.27	—3, 554, 697.79
Total.....	21, 173, 401, 741.86	20, 212, 930, 614.08	—960, 471, 127.78
<b>SILVER</b>			
Assets:			
Silver bullion (monetary value) 3.....	1, 520, 133, 652.51	1, 520, 295, 268.67	161, 616.16
Silver dollars.....	389, 449, 921.00	367, 160, 293.00	—22, 289, 628.00
Total.....	1, 909, 583, 573.51	1, 887, 455, 561.67	—22, 128, 011.84
Liabilities:			
Silver certificates outstanding 1.....	1, 812, 736, 275.00	1, 815, 278, 206.00	2, 541, 931.00
Treasury notes of 1890 outstanding 1.....	1, 153, 672.00	1, 149, 708.00	—3, 964.00
Silver in General Fund.....	95, 693, 626.51	71, 027, 647.67	—24, 665, 978.84
Total.....	1, 909, 583, 573.51	1, 887, 455, 561.67	—22, 128, 011.84
<b>GENERAL FUND</b>			
Assets:			
In Treasury offices:			
Gold (as above).....	153, 814, 907.06	150, 260, 209.27	—3, 554, 697.79
Silver:			
At monetary value (as above).....	95, 693, 626.51	71, 027, 647.67	—24, 665, 978.84
Subsidiary coin.....	20, 892, 456.40	25, 497, 979.29	4, 605, 522.89
Bullion:			
At recoinage value.....	7, 766, 216.15	203, 700.06	—7, 562, 516.09
At cost value 3.....	450, 282, 374.18	324, 823, 814.23	—125, 458, 559.95
Minor coin.....	9, 474, 746.11	7, 597, 550.74	—1, 877, 195.37
United States notes.....	2, 171, 346.00	2, 819, 670.00	648, 324.00
Federal Reserve notes.....	78, 788, 147.50	123, 971, 367.50	45, 183, 220.00
Federal Reserve Bank notes.....	659, 509.50	1, 166, 067.50	506, 558.00
National bank notes.....	472, 298.00	517, 865.50	45, 567.50
Unclassified—Collections, etc.....	23, 891, 234.70	29, 150, 147.94	5, 258, 913.24
Subtotal.....	843, 906, 862.11	737, 036, 019.70	—106, 870, 842.41
Deposits in:			
Federal Reserve Banks:			
To credit of Treasurer, U. S.....	1, 363, 851, 372.71	1, 652, 745, 382.86	288, 894, 010.15
In transit.....	78, 028, 769.04	* 153, 044, 063.97	—231, 072, 833.01
Subtotal.....	1, 441, 880, 141.75	1, 499, 701, 318.89	57, 821, 177.14

Footnotes at end of table.

TABLE 58.—*Current assets and liabilities of the Treasury on June 30, 1944 and 1945—Continued*

	June 30, 1944	June 30, 1945	Increase or decrease (—)
Assets—Continued.			
Deposits in—Continued.			
Special depositaries account of sales of Government securities.....	18,006,530,000.00	22,621,653,000.00	4,615,123,000.00
National and other bank depositaries (except foreign): <sup>4</sup>			
To credit of Treasurer, U. S.....	235,433,664.11	224,987,282.82	—10,446,381.29
Foreign depositaries: <sup>4</sup>			
To credit of Treasurer, U. S.....	12,221,722.04	16,322,069.87	4,100,347.83
Philippine treasury:			
To credit of Treasurer, U. S.....	19,080,243.21	19,015,068.02	—65,175.19
In transit.....	39.41	39.41	-----
Subtotal.....	19,080,282.62	19,015,107.43	—65,175.19
Total assets, General Fund.....	4 20,559,052,672.63	25,118,714,798.71	4,559,662,126.08
Liabilities:			
Treasurer's checks outstanding.....	72,558,862.31	68,265,198.80	—4,293,663.51
Deposits of Government officers:			
Post Office Department.....	42,021,941.56	24,099,388.82	—17,922,552.74
Board of Trustees, Postal Savings System:			
5-percent reserve, lawful money.....	102,000,000.00	133,000,000.00	31,000,000.00
Other deposits.....	12,255,296.84	10,020,958.26	—2,234,338.58
Postmasters' disbursing accounts, etc. <sup>4</sup> .....	118,827,410.50	139,327,142.27	20,499,731.77
Uncollected items, exchanges, etc.....	42,837,539.12	46,272,758.81	3,435,219.69
Total liabilities, General Fund.....	4 390,501,050.33	420,985,446.96	30,484,396.63
Balance in General Fund:			
Increment resulting from reduction in weight of gold dollar.....	143,882,263.88	143,998,731.62	116,467.74
Seigniorage (silver) <sup>5</sup> .....	618,958,767.00	618,958,767.00	-----
Working balance.....	19,405,710,591.42	23,934,771,853.13	4,529,061,261.71
Subtotal.....	20,168,551,622.30	24,697,729,351.75	4,529,177,729.45
Total General Fund liabilities and balance.....	4 20,559,052,672.63	25,118,714,798.71	4,559,662,126.08

NOTE.—The amount to the credit of disbursing officers and certain agencies was \$19,432,921,597.35 on June 30, 1944, and \$23,218,525,100.95 on June 30, 1945.

<sup>a</sup> Excess of credits (deduct).

<sup>1</sup> Does not include amounts held in Treasury offices and by Federal Reserve Banks and agents in custody for the Treasurer of the United States. See table on p. 180.

<sup>2</sup> Reserve against United States notes (\$346,681,016 in 1944 and 1945) and Treasury notes of 1890 outstanding (\$1,153,672 in 1944 and \$1,149,708 in 1945). Treasury notes of 1890 are also secured by silver dollars in the Treasury.

<sup>3</sup> 891,792,971.3 ounces and 877,715,174.6 ounces of these items of silver were held on June 30, 1944, and June 30, 1945, respectively, by the Defense Plant Corporation, etc.

<sup>4</sup> Revised for June 30, 1944, to conform with modification of the Treasury's depositary system, effective Nov. 15, 1944, when deposits in national and other bank depositaries, including foreign depositaries, to the credit of Government officers other than the Treasurer of the United States, were no longer reflected as assets and liabilities of the General Fund.

<sup>5</sup> This seigniorage represents the difference between the cost value and the monetary value of silver bullion revalued and held to secure the silver certificates issued on account of silver bullion acquired under the Silver Purchase Act of 1934 and under the President's proclamation dated Aug. 9, 1934.

TABLE 59.—*Balance in the General Fund of the Treasury at the end of each month fiscal year 1945*<sup>1</sup>

[On basis of daily Treasury statements, see p. 437]

End of month	Balance of increment resulting from reduction in weight of gold dollar	Seigniorage <sup>2</sup>	Working balance	Total balance
1944—July .....	\$143,891,973.61	\$618,958,767.00	\$21,161,559,389.83	\$21,924,410,130.44
August .....	143,906,681.21	618,958,767.00	16,909,114,667.02	17,671,980,115.23
September .....	143,916,498.66	618,958,767.00	14,354,595,455.32	15,117,470,720.98
October .....	143,922,553.70	618,958,767.00	9,227,337,762.88	9,990,219,083.58
November .....	143,932,578.45	618,958,767.00	9,639,679,251.21	9,802,570,596.66
December .....	143,939,075.25	618,958,767.00	21,473,123,521.95	22,236,021,364.20
1945—January .....	143,948,010.49	618,958,767.00	18,842,939,538.64	19,605,846,316.13
February .....	143,955,630.87	618,958,767.00	16,550,543,007.66	17,313,456,805.53
March .....	143,963,945.74	618,958,767.00	14,514,485,253.50	15,277,407,966.24
April .....	143,979,058.09	618,958,767.00	10,603,134,067.79	11,366,071,892.88
May .....	143,987,293.54	618,958,767.00	8,861,808,411.47	9,624,754,472.01
June .....	143,998,731.62	618,958,767.00	23,934,771,853.13	24,697,729,351.75

<sup>1</sup> For monthly balances back to October 1915, see annual reports for 1930, p. 598; 1934, p. 337, and corresponding tables in subsequent reports.<sup>2</sup> This item of seigniorage represents the difference between the cost value and the monetary value of silver bullion revalued and held to secure the silver certificates issued on account of silver acquired under the Silver Purchase Act of 1934 and under the President's proclamation dated Aug. 9, 1934.TABLE 60.—*Assets and liabilities of the exchange stabilization fund, June 30, 1944 and 1945*

Assets and liabilities	June 30, 1944	June 30, 1945
<b>ASSETS</b>		
Cash:		
Treasurer of the United States, gold.....	\$1,800,000,000.00	\$1,800,000,000.00
Treasurer of the United States, checking account.....	1,333,369.61	1,226,238.59
Federal Reserve Bank of New York, special account.....	207,139,648.14	163,900,911.08
Disbursing officers' balances and advance accounts.....	10,370.12	7,143.13
Total cash.....	\$2,008,483,387.87	\$1,965,134,292.80
Special accounts of Secretary of the Treasury in Federal Reserve Bank of New York:		
Special account No. 1, gold (Schedule 1).....	21,139,971.77	80,618,147.77
Due from foreign banks (foreign exchange):		
Swiss francs.....	107,594.92	4,439,237.32
French francs.....	17.88	17.88
Belgas.....	505.06	505.06
Sterling.....	2,980.05	2,980.05
All other.....	2,406,548.84	14,594,516.42
Foreign depositories.....	686,390.41	42,929.77
Total due from foreign banks.....	3,204,037.16	19,080,186.50
Due from the Government of the Republic of Cuba.....	5,012,700.54	5,011,705.27
Investments in United States Government securities (Schedule 2).....	20,448,723.13	20,448,723.13
Accrued interest receivable (Schedule 2).....	12,448.12	82,420.95
Other accounts (deferred charges).....	35.51	18.30
Commodity sales contracts (deferred charges).....	2,636.00	2,636.00
Total assets.....	2,058,303,940.10	2,090,378,130.72



TABLE 60.—*Assets and liabilities of the exchange stabilization fund, June 30, 1944 and 1945—Continued*

Assets and liabilities	June 30, 1944	June 30, 1945
<b>LIABILITIES AND CAPITAL</b>		
Accounts payable:		
Vouchers payable.....	\$390.79	\$422.09
Employees' payroll allotment account, United States savings bonds.....	768.66	1,125.15
Miscellaneous.....	9,041.17	5,980,011.16
Total accounts payable.....	\$10,200.62	\$5,981,558.40
Reserve for expenses and contingencies (net).....	10,181,027.03	9,459,790.24
Capital account.....	2,000,000,000.00	2,000,000,000.00
Earnings less administrative expenses (Schedules 3 and 4).....	48,112,712.45	74,936,782.08
Total liabilities and capital.....	2,058,303,940.10	2,090,378,130.72

NOTE.—Annual balance sheets for the years beginning 1934 may be found in the annual report for 1940, p. 789, and in corresponding tables in subsequent reports. Quarterly balance sheets beginning December 31, 1938, may be found in the Bulletin of the Treasury Department beginning with the March 1939 issue.

## SCHEDULE 1

LOCATION OF GOLD HELD BY AND FOR ACCOUNT OF THE EXCHANGE STABILIZATION FUND<sup>1</sup>

	June 30, 1944		June 30, 1945	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of New York.....	209,317.543	\$7,326,114.00	247,635.715	\$8,667,250.01
U. S. Assay Office, New York.....	394,681.648	13,813,857.77	2,055,739.968	71,950,897.76
Total.....	603,999.191	21,139,971.77	2,303,375.683	80,618,147.77

<sup>1</sup> Excludes gold held by Treasurer of the United States.

## SCHEDULE 2

## UNITED STATES GOVERNMENT SECURITIES HELD BY THE EXCHANGE STABILIZATION FUND

Issue	June 30, 1945 <sup>1</sup>			
	Face value	Cost	Average price	Accrued interest
2¼% Treasury bonds, 1951-53.....	\$10,000,000	\$10,000,000.00	100.0000	\$9,221.31
2¾% Treasury bonds, 1958-63.....	50,000	49,640.63	99.2813	56.35
2¾% Treasury bonds, 1960-65.....	402,000	399,082.50	99.2743	453.07
2½% Treasury bonds, 1965-70.....	10,000,000	10,000,000.00	100.0000	72,690.22
Total United States Government securities.....	20,452,000	20,448,723.13	-----	82,420.95

<sup>1</sup> Details are the same as for June 30, 1944, except the accrued interest on 2½% Treasury bonds of 1965-70 was \$2,717.39 and the total accrued interest was \$12,448.12.

TABLE 60.—*Assets and liabilities of the exchange stabilization fund, June 30, 1944 and 1945—Continued*

SCHEDULE 3		
EARNINGS OF THE EXCHANGE STABILIZATION FUND		
Source	January 31, 1934, through June 30, 1944	January 31, 1934, through June 30, 1945
Profits on British sterling transactions.....	\$310,638.09	\$310,638.09
Profits on French franc transactions.....	351,537.99	351,537.99
Profits on gold bullion (including profits from handling charges on gold).....	24,413,668.10	27,340,105.45
Profits on other gold and exchange transactions.....	14,000,000.00	38,000,000.00
Profits on silver transactions.....	105,371.27	105,371.27
Profits on sale of silver bullion to Treasury (nationalized).....	3,473,362.29	3,473,362.29
Profits on investments.....	1,019,326.18	1,019,326.18
Interest on investments.....	4,188,586.53	4,676,016.53
Miscellaneous profits.....	744,414.21	744,549.85
Interest earned on foreign balances.....	123,888.59	123,888.59
Interest earned on Chinese yuan.....	1,975,317.07	1,975,317.07
Total earnings.....	50,706,110.32	78,120,113.31

SCHEDULE 4		
ADMINISTRATIVE EXPENSES OF THE EXCHANGE STABILIZATION FUND		
Classification	January 31, 1934, through June 30, 1944	January 31, 1934, through June 30, 1945
Salaries.....	\$1,704,201.97	\$2,016,800.59
Travel.....	75,715.10	90,191.56
Subsistence.....	66,981.46	83,592.40
Telephone and telegraph.....	392,240.50	420,678.64
Stationery, etc.....	21,140.28	23,690.79
All other.....	333,115.56	548,377.25
Total administrative expenses.....	2,593,397.87	3,183,331.23

TABLE 61.—*Securities other than obligations of foreign governments owned by the United States Government, June 30, 1945*

[On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments]

	Authorizing act	Amount
Capital stock of Government corporations:		
Banks for cooperatives.....	June 16, 1933, as amended..	\$178,500,000.00
Cargoes, Incorporated.....	Jan. 22, 1932, as amended..	(1)
Commodity Credit Corporation.....	June 16, 1933, as amended..	100,000,000.00
Defense Homes Corporation.....	Jan. 22, 1932, as amended..	10,000,000.00
Defense Plant Corporation <sup>2</sup> .....	do.....	5,000,000.00
Defense Supplies Corporation <sup>2</sup> .....	do.....	5,000,000.00
Disaster Loan Corporation.....	Feb. 11, 1937, as amended..	24,000,000.00
Export-Import Bank of Washington:	June 16, 1933, as amended..	
Common stock.....		1,000,000.00
Preferred stock <sup>2</sup> .....		174,000,000.00
Federal Crop Insurance Corporation.....	Feb. 16, 1938.....	40,000,000.00
Federal Deposit Insurance Corporation.	June 16, 1933, as amended..	150,000,000.00
Federal Farm Mortgage Corporation.....	Jan. 31, 1934, as amended..	\$100,000,000.00
Federal home loan banks <sup>2</sup> .....	July 22, 1932, as amended..	124,509,900.00
Federal intermediate credit banks.....	Mar. 4, 1923, as amended..	60,000,000.00
Federal land banks.....	July 17, 1916, as amended..	117,866,460.00
Federal National Mortgage Association. <sup>2</sup>	June 27, 1934, as amended..	10,000,000.00

Footnotes at end of table.

TABLE 61.—*Securities other than obligations of foreign governments owned by the United States Government, June 30, 1945—Continued*

	Authorizing act	Amount
Capital stock of Government corporations—Continued.		
Federal Public Housing Authority....	Sept. 1, 1937, as amended....	\$1,000,000.00
Federal Savings and Loan Insurance Corporation. <sup>3</sup>	June 27, 1934.....	100,000,000.00
Home Owners' Loan Corporation....	June 13, 1933, as amended....	200,000,000.00
Inland Waterways Corporation.....	June 3, 1924, as amended....	12,000,000.00
Institute of Inter-American Transportation.	July 25, 1942.....	100,000.00
Inter-American Navigation Corporation.	Dec. 17, 1940.....	500,000.00
Metals Reserve Company <sup>2</sup> .....	Jan. 22, 1932, as amended....	5,000,000.00
Panama Railroad Company.....	June 8, 1902.....	7,000,000.00
Production credit corporations.....	June 16, 1933, as amended....	108,300,000.00
Reconstruction Finance Corporation....	Jan. 22, 1932, as amended....	325,000,000.00
RFC Mortgage Company, The <sup>2</sup> .....	Jan. 31, 1935, as amended....	25,000,000.00
Regional Agricultural Credit Corporation of Washington, D. C.	July 21, 1932, as amended....	100,000.00
Rubber Development Corporation <sup>4</sup> ....	Jan. 22, 1932, as amended....	100,000.00
Rubber Reserve Company <sup>2</sup> .....	do.....	5,000,000.00
Smaller War Plants Corporation.....	June 11, 1942, as amended....	200,000,000.00
Tennessee Valley Associated Cooperatives, Inc.	May 21, 1933.....	1,000.00
U. S. Commercial Company <sup>2</sup> .....	Jan. 22, 1932, as amended....	5,000,000.00
U. S. Housing Corporation <sup>5</sup> .....	May 16, 1918, as amended....	385,936.35
U. S. Spruce Production Corporation....	July 9, 1918, as amended....	100,000.00
War Damage Corporation <sup>2</sup> .....	Jan. 22, 1932, as amended....	1,000,000.00
Warrior River Terminal Company, Inc. <sup>6</sup>	June 3, 1924, as amended....	1,250,000.00
Total capital stock.....		\$2,096,713,296.35
Paid-in surplus:		
Federal land banks.....	May 12, 1933, as amended....	69,773,772.55
Federal National Mortgage Association. <sup>3</sup>	June 27, 1934, as amended....	1,000,000.00
Total paid-in surplus <sup>7</sup> .....		70,773,772.55
Bonds and notes of Government corporations:		
Commodity Credit Corporation.....	Mar. 8, 1938, as amended....	1,591,000,000.00
Federal Farm Mortgage Corporation....	Jan. 31, 1934, as amended....	108,000,000.00
Federal Public Housing Authority....	Sept. 1, 1937, as amended....	383,000,000.00
Home Owners' Loan Corporation.....	June 13, 1933, as amended....	1,009,982,000.00
Reconstruction Finance Corporation....	Jan. 22, 1932, as amended....	9,019,947,123.79
Tennessee Valley Authority.....	May 18, 1933, as amended....	56,772,500.00
Total bonds and notes.....		12,168,701,623.79
Other securities:		
Farm Credit Administration:		
Seed, feed, drought relief, and crop production loans.	July 1, 1918, as supplemented.	147,751,898.06
Loans from Agricultural Marketing Act revolving fund.	June 15, 1929, as amended....	75,597,918.79
Farm Security Administration: Rural rehabilitation loans to farmers, etc. <sup>8</sup>	Apr. 8, 1935, as supplemented.	497,792,088.06
Federal Housing Administration: Mortgage notes and contracts on sales of acquired real estate.	June 27, 1934, as amended....	21,322,646.68
Federal Public Housing Authority: Subsistence homesteads loans.	Sept. 1, 1937, as amended....	6,671,534.28
Federal Security Agency: Student war loans.	July 2, 1942.....	2,834,619.24
Federal Works Agency:		
Loans to States, municipalities, railroads, and others.	June 16, 1933, as amended....	71,369,802.22
Community facilities loans.....	Oct. 14, 1940, as amended....	5,563,437.94
Interior Department:		
Indian loans.....	June 18, 1934, as amended....	5,780,192.90
Puerto Rican Hurricane Relief loans.	Dec. 21, 1928, as amended....	981,752.16
Navy Department:		
Sale of surplus property (World War I).	July 9, 1918, as amended....	2,117,460.49
Guaranteed loans (World War II).	June 11, 1942.....	3,267,803.27
Puerto Rico Reconstruction Administration: Loans.	Apr. 8, 1935, as supplemented.	6,675,633.14
Rural Electrification Administration: Advances to cooperatives, States and private utilities. <sup>9</sup>	do.....	377,001,533.66

Footnotes at end of table.

TABLE 61.—*Securities other than obligations of foreign governments owned by the United States Government, June 30, 1945—Continued*

	Authorizing act	Amount
Other securities—Continued.		
Tennessee Valley Authority: Counties and municipalities.	May 18, 1933, as amended.	\$2,800,000.00
Treasury Department:		
Counties and municipalities.....	July 1, 1932, as amended.	37,000.00
Federal savings and loan associations.	June 13, 1933, as amended.	2,651,500.00
Railroads.....	Feb. 28, 1920, as amended.	21,538,032.23
Securities received by Bureau of Internal Revenue in settlements of tax liabilities.	July 1, 1898, as amended.	26,865.77
U. S. Maritime Commission: Ship construction and reconditioning loans, ship sales notes, etc.	Sept. 7, 1916, as amended.	103,283,736.14
War Department:		
Guaranteed loans (World War II).	June 11, 1942.	19,044,671.52
Total, other securities.....		\$1,374,113,126.55
Total, all securities.....		15,710,301,819.24
Less:		
Face amount of above securities acquired by Government corporations from corporate funds or by exchange for corporate obligations:		
Capital stock:		
Home Owners' Loan Corporation. <sup>3</sup>		100,000,000.00
Inland Waterways Corporation. <sup>6</sup>		1,250,000.00
Reconstruction Finance Corporation. <sup>2</sup>		359,509,901.00
Paid-in surplus:		
Reconstruction Finance Corporation. <sup>2</sup>		1,000,000.00
Other securities:		
Reconstruction Finance Corporation. <sup>5</sup>		340,694,842.40
Adjustment—Rubber Development Corporation, capital stock. <sup>4</sup>		99,999.00
		802,554,742.40
Total face amount of securities owned by the United States.		14,907,747,076.84

Amount due the United States from the Central Branch Union Pacific Railroad on account of bonds issued (Pacific Railroad Aid Bonds Acts, approved July 1, 1862, July 2, 1864, and May 7, 1878):

Principal.....	\$1,600,000.00
Interest.....	1,555,762.63
Total.....	3,155,762.63

<sup>1</sup> This corporation was liquidated Mar. 31, 1945.

<sup>2</sup> Reconstruction Finance Corporation funds.

<sup>3</sup> Home Owners' Loan Corporation obligations issued to the Federal Savings and Loan Insurance Corporation for capital stock subscription.

<sup>4</sup> Par value of stock issued and outstanding is \$100,000, but is carried at \$1 on the books of Reconstruction Finance Corporation.

<sup>5</sup> The balance of the amount paid in by the United States is \$34,296,989.36. Above amount represents net amount of assets available to liquidate such stock.

<sup>6</sup> Warrior River Terminal Company, Inc., is a wholly owned subsidiary of Inland Waterways Corporation.

<sup>7</sup> Exclusive of net payments from the Treasury, or transfer of assets authorized by law, for which no formal receipts or other evidences of payment are held by the Secretary of the Treasury in the following:

Stock corporations:	Amount
Commodity Credit Corporation.....	\$400,715,404.64
Defense Supplies Corporation.....	1,696,268.56
Federal Public Housing Authority.....	114,830,708.02
Inland Waterways Corporation.....	10,460,756.46
Institute of Inter-American Transportation.....	2,741,235.84
Metals Reserve Company.....	4,000,000.00
Regional Agricultural Credit Corporation of Washington, D. C.....	21,221,756.60
Tennessee Valley Associated Cooperatives, Inc.....	299,000.00
Nonstock corporations:	
Federal Prison Industries, Inc.....	4,774,706.70
Institute of Inter-American Affairs.....	12,017,182.06
Inter-American Educational Foundation, Inc.....	1,929,790.47
Prencinradio, Inc.....	1,104,774.59
Tennessee Valley Authority.....	37,689,316.89
Total.....	613,480,900.83

<sup>8</sup> Includes Reconstruction Finance Corporation funds amounting to \$100,524,756.71.

<sup>9</sup> Includes Reconstruction Finance Corporation funds amounting to \$240,170,085.69.



TABLE 62.—*Securities other than obligations of foreign governments owned by the United States Government—Changes during the fiscal year 1945*

Description and name	Increase	Decrease	Explanation
Capital stock of Government corporations:			
Banks for cooperatives .....	\$1,500,000.00	-----	Subscription paid from Agricultural Marketing Act revolving fund.
Cargoes, Incorporated .....	-----	\$101,000.00	Corporation liquidated and stock canceled.
Federal home loan banks .....	-----	231,100.00	Repayment to Reconstruction Finance Corporation.
Federal land banks .....	-----	2,264,590.00	Net repayments to revolving fund.
Production credit corporations .....	-----	6,700,000.00	Repayments to revolving fund.
Regional Agricultural Credit Corporation of Washington, D. C.	-----	44,400,000.00	Do.
Smaller War Plants Corporation .....	50,000,000.00	-----	Subscription paid from appropriation.
United States Housing Corporation .....	-----	724,956.17	Change in net asset value.
Total changes in capital stock .....	51,500,000.00	54,421,646.17	
Net change in capital stock .....	-----	2,921,646.17	
Paid-in surplus of Government corporations:			
Federal land banks .....	-----	65,323,018.51	Net repayments to revolving fund.
Bonds and notes of Government corporations:			
Commodity Credit Corporation .....	691,000,000.00	-----	Net borrowings from Treasury.
Federal Farm Mortgage Corporation .....	-----	258,000,000.00	Net repayments to Treasury.
Federal Public Housing Authority .....	-----	15,000,000.00	Do.
Home Owners' Loan Corporation .....	429,982,000.00	-----	Net borrowings from Treasury.
Reconstruction Finance Corporation .....	603,460,000.00	-----	Do.
Total changes in bonds and notes .....	1,724,442,000.00	273,000,000.00	
Net change in bonds and notes .....	1,451,442,000.00	-----	
Other securities:			
Farm Credit Administration:			
Seed, feed, drought, and crop loans .....	-----	8,732,927.53	Net repayments and other reductions.
Agricultural Marketing Act loans .....	-----	459,113.58	Do.
Farm Security Administration: Farm tenants and rural rehabilitation loans .....	94,956,353.99	-----	Net loans made.
Federal Housing Administration: Mortgage notes and sales contracts .....	21,322,646.68	-----	Previously not reported.
Federal Public Housing Authority: Subsistence homesteads loans .....	6,671,534.28	-----	Previously included in Farm Security Administration.
Federal Security Agency: Student war loans .....	-----	324,886.68	Net repayments and other reductions.
Federal Works Agency:			
Loans to States, etc., by Public Works Administration .....	-----	1,053,694.17	Do.
Community facilities loans .....	1,018,413.59	-----	Net loans made.
Interior Department:			
Indian loans .....	2,716,015.84	-----	Net loans made, including items previously not reported.
Puerto Rican Hurricane Relief loans .....	981,752.16	-----	Previously not reported.
Navy Department:			
Sale of surplus property (World War I) .....	-----	701,186.15	Collection of principal.
Guaranteed loans (World War II) .....	3,267,803.27	-----	Previously not reported.
Puerto Rico Reconstruction Administration: Loans .....	67,216.70	-----	Net loans made.
Rural Electrification Administration: Loans and advances .....	29,006,619.64	-----	Do.

TABLE 62.—*Securities other than obligations of foreign governments owned by the United States Government—Changes during the fiscal year 1945—Continued*

Description and name	Increase	Decrease	Explanation
Other securities—Continued.			
Tennessee Valley Authority: Loans to municipalities.	\$2,800,000.00	-----	Previously not reported.
Treasury Department:			
Counties and municipalities.....	-----	\$10,000.00	Repayments and collections.
District of Columbia loans.....	-----	901,731.15	Repayments.
Federal savings and loan associations.....	-----	2,072,300.00	Do.
Railroad loans.....	-----	2,674,345.00	Repayments and other reductions.
Securities received by Bureau of Internal Revenue in settlement of tax liabilities.	-----	10,558.49	Collections.
United States Maritime Commission: Ship construction and reconditioning loans, ship sales notes, etc.	-----	28,080,035.61	Repayments and other reductions.
War Department: Guaranteed loans (World War II).	19,044,671.52	-----	Previously not reported.
Total changes in other securities..	181,853,027.67	45,020,778.36	
Net change in other securities.....	136,832,249.31	-----	
Total net change, excluding interagency.	1,520,029,584.63	-----	
Less interagency ownership:			
Reconstruction Finance Corporation: Capital stock.....	-----	231,100.00	Repayment by Federal home loan banks.
Other securities.....	-----	66,852,303.76	Repayments by Farm Security Administration and Rural Electrification Administration.
Net change in interagency.....	-----	67,083,403.76	
Total net change, including interagency.	1,587,112,988.39	-----	

TABLE 63.—Principal of the funded and unfunded indebtedness of the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15, 1945

Country	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness			Unfunded indebtedness			Payments on account <sup>1</sup>	
			Indebtedness		Interest	Indebtedness		Accrued interest	Principal	Interest
			Principal (net)	Accrued interest		Principal	Interest			
Armenia.....	\$27,391,079.33									
Belgium.....	593,579,077.60	\$52,191,273.24	\$400,680,000.00	\$102,899,077.60	\$17,100,000.00	\$14,490,000.00		\$11,959,917.49	\$15,431,161.84	\$2,057,630.37
Cuba.....		12,286,751.58								10,000,000.00
Czechoslovakia.....	175,072,336.13	20,134,092.26	165,241,108.90	9,831,227.33	19,829,914.17					2,286,751.58
Estonia.....	24,491,700.81	1,238,432.07	16,466,012.87	8,023,057.94		1,246,000.10				304,178.09
Finland.....	8,574,495.25	7,005,495.25	7,842,131.29	7,842,131.29		1,137,888.71				1,441.88
France.....	4,606,635,664.40	436,075,891.00	3,803,650,000.00	742,985,664.40	161,350,000.00	38,650,000.00				309,315.97
Germany (Austrian indebtedness) <sup>1</sup>	26,024,539.59	862,608.00	25,980,460.06	44,058.93	862,608.00					64,689,588.18
Great Britain.....	6,415,664,782.58	2,024,848,817.09	4,308,000,000.00	2,047,664,782.58	292,000,000.00	1,232,770,518.42				202,181,641.56
Greece.....	37,091,455.10	4,127,056.01	31,516,000.00	5,575,455.10	981,000.00	1,983,980.00				2,922.67
Hungary.....	2,740,938.07	556,919.76	1,908,560.00	832,378.07	73,995.50	482,171.22				753.04
Italy.....	2,052,213,409.34	100,829,880.16	2,004,900,000.00	47,313,409.34	37,100,000.00	5,766,708.26				364,319.28
Latvia.....	10,114,980.04	761,549.07	6,879,464.20	3,235,515.84	9,200.00	621,520.12				130,828.95
Lithuania.....	9,064,140.62	1,237,956.58	6,197,682.00	2,866,458.62	234,783.00	1,001,626.61				10,471.56
Nicaragua <sup>2</sup>	306,497,924.20	22,646,207.55	206,057,000.00	100,440,824.20	1,287,297.37	19,310,775.90				1,546.97
Poland.....	274,928,979.75	74,791,007.22	63,860,560.43	11,065,719.32	2,700,000.00	29,061.46				26,625.48
Rumania.....	452,772,481.70	8,766,311.88	61,625,000.00	1,771,718.78	1,225,000.00					2,048,224.28
Russia.....	63,396,718.78	2,588,771.69								1,798,632.02
Yugoslavia.....										192,601,297.37
Total.....	14,796,251,471.28	2,751,148,217.81	11,230,804,000.35	13,085,283,909.90	475,911,726.75	1,321,891,663.45	204,561,214.86	275,602,346.17	281,990,396.99	671,354,430.62

<sup>1</sup> Payments of governments which have funded were made prior to the date of the funding agreements.

<sup>2</sup> Differences between principal of funded indebtedness and amounts here stated represent deferred payments provided for in the funding agreements, for which "bonds" of the respective debtor governments have been or will be delivered to the Treasury.

<sup>3</sup> Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor governments.

<sup>4</sup> The German Government has been notified that the Government of the United States will look to the German Government for the discharge of this indebtedness of the Government of Austria to the Government of the United States.

<sup>5</sup> Includes additional bonds aggregating \$3,489,482.75 received July 25, 1937, in exchange for bonds aggregating \$1,207,741.24 and annuities aggregating \$69,534.46, payable on Jan. 1, 1933, 1934, and 1935, but postponed as provided by agreements of May 8, 1930, and Sept. 14, 1932.

<sup>6</sup> The United States held obligations in the principal amount of \$286,898.78, which,

together with accrued interest thereon, were canceled on Oct. 6, 1939, pursuant to agreement of Apr. 14, 1938, between the United States and the Republic of Nicaragua, ratified by the United States Senate on June 13, 1938.

<sup>7</sup> Does not include payment of \$100,000 by Rumanian Government on June 15, 1940, which was made as "a token of its good faith and of its real desire to reach a new agreement covering Rumania's indebtedness to the United States."

<sup>8</sup> Represents proceeds of liquidation of financial affairs of the Russian Government in this country. (Copies of letter dated May 23, 1922, from the Secretary of State and of reply of the Secretary of the Treasury dated June 2, 1922, in regard to loans to the Russian Government and liquidation of affairs of the latter in this country appear in the Annual Report of the Secretary of the Treasury for 1922, as exhibit 79, p. 283, and in the combined annual reports of the World War Foreign Debt Commission as exhibit 2, p. 84.)

<sup>9</sup> Includes balances of amounts postponed under provisions of joint resolution of Dec. 29, 1931. (For amounts postponed see p. 35 of Annual Report of the Secretary of the Treasury for 1932.)

TABLE 64.—Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest, as of November 15 of each year from 1928 through 1945

Year	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness			Unfunded indebtedness				
			Indebtedness		Interest	Indebtedness		Interest		
			Principal (net)	Accrued interest <sup>1</sup>		Principal (net)	Accrued interest			
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest			
1928	\$11,853,406,768.55	\$1,963,023,654.25	\$11,462,200,951.00	\$28,764,278.81	\$152,552,048.00	\$764,546,559.35	\$243,907,551.77	\$118,533,986.97	\$303,267,052.84	\$742,657,994.06
1929	11,829,756,777.51	2,162,605,203.58	11,456,772,818.00	32,541,624.26	191,565,786.00	904,763,750.32	229,466,727.85	111,974,607.40	303,269,975.51	763,009,691.75
1930	11,641,264,883.62	2,391,983,341.97	11,279,990,878.50	34,206,294.13	391,962,610.50	1,046,687,129.38	204,851,842.85	122,215,808.14	281,989,667.78	671,353,934.11
1931	11,598,501,461.42	2,627,580,897.72	11,232,604,719.57	28,572,000.00	443,310,743.87	1,230,926,551.96	204,851,842.85	132,472,899.00	281,989,667.78	671,353,934.11
1932	11,793,172,630.78	2,627,580,897.72	11,261,176,719.57	184,440,108.36	443,310,743.87	1,230,926,551.96	204,851,842.85	142,703,900.00	281,990,396.99	671,353,934.11
1933	11,888,508,973.91	2,737,707,104.88	11,229,429,605.40	301,236,727.54	475,057,858.04	1,309,305,852.24	204,851,113.64	152,991,527.33	281,990,396.99	671,352,997.61
1934	12,102,962,275.61	2,747,041,165.88	11,229,212,445.44	505,668,208.95	475,275,018.00	1,318,422,753.28	204,851,113.64	163,230,507.58	281,990,396.99	671,352,997.61
1935	12,328,900,509.67	2,747,436,589.89	11,229,145,735.91	721,489,130.85	475,341,727.53	1,318,780,034.58	204,851,113.64	173,474,529.27	281,990,396.99	671,354,430.62
1936	12,556,828,068.35	2,748,180,030.39	11,229,075,838.00	939,181,132.78	475,483,719.27	1,319,423,577.34	204,851,113.64	183,971,882.69	281,990,396.99	671,354,430.62
1937	12,786,196,128.24	2,748,574,488.89	11,231,232,007.83	1,156,141,124.08	475,611,625.44	1,319,745,942.01	204,851,113.64	193,971,882.69	281,990,396.99	671,354,430.62
1938	13,011,846,749.58	2,749,249,727.71	11,231,157,710.25	1,372,121,903.50	475,588,016.85	1,320,346,883.25	204,561,214.86	204,005,920.97	281,990,396.99	671,354,430.62
1939	13,237,930,908.97	2,749,663,927.85	11,231,081,200.76	1,587,414,511.64	475,634,526.34	1,320,683,658.58	204,561,214.86	214,233,981.71	281,990,396.99	671,354,430.62
1940	13,463,473,899.84	2,750,163,927.85	11,231,001,470.89	1,803,449,141.64	475,714,256.21	1,321,104,844.03	204,561,214.86	224,462,042.45	281,990,396.99	671,354,430.62
1941	13,730,365,620.39	2,750,173,756.01	11,231,001,470.89	2,060,112,731.45	475,714,256.21	1,321,114,672.19	204,561,214.86	234,690,103.93	281,990,396.99	671,354,430.62
1942	13,996,180,893.37	2,750,193,412.33	11,231,001,470.89	2,315,699,543.69	475,714,256.21	1,321,134,328.51	204,561,214.86	244,918,163.93	281,990,396.99	671,354,430.62
1943	14,260,733,321.07	2,750,362,357.89	11,230,994,626.03	2,570,031,255.51	475,721,101.17	1,321,290,428.21	204,561,214.86	255,146,224.67	281,990,396.99	671,354,430.62
1944	14,528,504,791.48	2,750,744,718.01	11,230,963,272.98	2,827,606,018.21	475,812,454.12	1,321,587,436.28	204,561,214.86	265,374,285.43	281,990,396.99	671,354,430.62
1945	14,796,251,471.28	2,751,148,217.81	11,230,804,000.35	3,085,283,909.90	475,911,726.75	1,321,891,063.45	204,561,214.86	275,602,346.17	281,990,396.99	671,354,430.62

<sup>1</sup> Payments of governments which have funded were made prior to the dates of the funding agreements.<sup>2</sup> Includes balances of amounts postponed under provisions of joint resolution of Dec. 23, 1931 (for amounts postponed see p. 35 of Annual Report of the Secretary of the Treasury for 1932).<sup>3</sup> Does not include payment of \$100,000 by Rumanian Government on June 15, 1940, which was made as "a token of its good faith and of its real desire to reach a new agreement covering" Rumania's indebtedness to the United States.



# TRUST AND SPECIAL FUNDS FOR WHICH INVESTMENTS ARE MADE BY THE TREASURY DEPARTMENT

TABLE 65.—*Adjusted service certificate fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of the act of May 19, 1924 (43 Stat. 128). For further details see annual report of the Secretary for 1941, p. 135]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1944	Increase or decrease (—), fiscal year 1945	Cumulative to June 30, 1945
<b>Receipts:</b>			
Appropriations .....	\$3, 636, 157, 956. 40	\$9, 000, 000. 00	\$3, 645, 157, 956. 40
Interest on loans and investments .....	134, 013, 855. 98	939, 373. 00	134, 953, 228. 98
Total receipts .....	3, 770, 171, 812. 38	9, 939, 373. 00	3, 780, 111, 185. 38
<b>Expenditures:</b>			
Payments under Adjusted Compensation Payment Act, 1936, enacted Jan. 27, 1936:			
Adjusted service bonds .....	1, 842, 674, 700. 00	5, 519, 950. 00	1, 848, 194, 650. 00
Adjusted service bonds (Government life insurance fund series) .....	500, 157, 956. 40	-----	500, 157, 956. 40
Checks for amounts less than \$50 .....	83, 629, 164. 04	174, 189. 70	83, 803, 353. 74
Checks paid by Treasurer of the United States other than in final settlement of certificates under the Adjusted Compensation Payment Act, 1936, less credits on account of repay- ments of loans .....	1, 326, 152, 564. 34	5, 285, 823. 43	1, 331, 438, 387. 77
Total expenditures .....	3, 752, 614, 384. 78	10, 979, 963. 13	3, 763, 594, 347. 91
Balance .....	17, 557, 427. 60	-1, 040, 590. 13	16, 516, 837. 47

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or de- crease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
4% special Treasury certificates of indebted- ness, adjusted service certificate fund series:			
Maturing Jan. 1, 1945 .....	\$16, 890, 000. 00	—\$16, 890, 000. 00	-----
Maturing Jan. 1, 1946 .....	-----	14, 500, 000. 00	\$14, 500, 000. 00
Total investments .....	16, 890, 000. 00	-2, 390, 000. 00	14, 500, 000. 00
<b>Unexpended balances:</b>			
To credit of disbursing officers .....	645, 734. 62	877, 529. 47	1, 523, 264. 09
On books of the Division of Bookkeeping and Warrants .....	1 21, 692. 98	471, 880. 40	2 493, 573. 38
Total assets .....	17, 557, 427. 60	-1, 040, 590. 13	16, 516, 837. 47

<sup>1</sup> Excludes \$141.50 representing deposit of repayments in transit.

<sup>2</sup> Excludes \$12.39 representing deposits of repayments in transit, also excludes transfer-counter warrant of \$23.61.

TABLE 66.—*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1945*

[This trust fund was established in accordance with the provisions of the joint resolution of Congress approved May 23, 1935 (49 Stat. 287). For further details see annual report of the Secretary for 1941, p. 154]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase or decrease (—), fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Bequest of Maj. Gen. Fred C. Ainsworth.....	\$10,700.00	-----	\$10,700.00
Earnings on investments.....	2,074.52	\$278.88	2,353.40
Total receipts.....	12,774.52	278.88	13,053.40
Expenditures.....	2,494.58	390.16	2,884.74
Balance.....	10,279.94	—111.28	10,168.66

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Decrease (—), fiscal year 1945	June 30, 1945
Investments:			
2½% Treasury bonds of 1955-60 (par value \$9,700)...	\$9,972.81	-----	\$9,972.81
Unexpended balance on books of the Division of Book- keeping and Warrants.....	307.13	—\$111.28	195.85
Total.....	10,279.94	—111.28	10,168.66

TABLE 67.—*Alaska Railroad retirement and disability fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of sec. 9 of the act of June 29, 1936 (49 Stat. 2022). For further details see annual report of the Secretary for 1941, p. 139]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
On account of deductions from basic compensation of employees subject to retirement act.....	\$1,088,507.11	\$177,402.75	\$1,265,909.86
Transferred from civil service retirement and disa- bility fund:			
On account of deductions.....	30,980.06	-----	30,980.06
Accrued interest on deductions.....	2,170.16	-----	2,170.16
Total.....	33,150.22	-----	33,150.22
Appropriations.....	1,225,000.00	175,000.00	1,400,000.00
Interest and profits on investments.....	275,524.54	75,520.54	351,045.08
Total receipts.....	2,622,181.87	427,923.29	3,050,105.16
Expenditures:			
Annuity payments and refunds.....	799,572.83	186,223.51	985,796.34
Balance.....	1,822,609.04	241,699.78	2,064,308.82

TABLE 67.—*Alaska Railroad retirement and disability fund, June 30, 1945—Con.*

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
4% special Treasury notes, Alaska Railroad retirement fund series, maturing:			
June 30, 1945.....	\$229,000.00	—\$229,000.00	-----
June 30, 1946.....	328,000.00	-----	\$328,000.00
June 30, 1947.....	547,000.00	-----	547,000.00
June 30, 1948.....	452,000.00	-----	452,000.00
June 30, 1949.....	199,000.00	185,000.00	384,000.00
June 30, 1950.....	-----	200,000.00	200,000.00
Total investments.....	1,755,000.00	156,000.00	1,911,000.00
<b>Unexpended balances:</b>			
To credit of disbursing officers.....	52,574.91	—16,223.51	36,351.40
On books of the Division of Bookkeeping and Warrants.....	15,034.13	101,923.29	<sup>1</sup> 116,957.42
Total assets.....	1,822,609.04	241,699.78	2,064,308.82

<sup>1</sup> Excludes \$20,346.51 representing July prior deposits appropriated June 30, 1945.TABLE 68.—*Canal Zone retirement and disability fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of Sec. 10 of the act of Mar. 2, 1931 (46 Stat. 1477). For further details see annual report of the Secretary for 1941, p. 137]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative to June 30, 1945
<b>Receipts:</b>			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act.....	<sup>1</sup> \$9,168,201.08	\$1,093,829.02	\$10,262,030.10
On account of voluntary contributions.....	33,710.32	49,049.31	82,759.63
Total.....	9,201,911.40	1,142,878.33	10,344,789.73
<b>Transfers from civil service retirement and disability fund:</b>			
On account of deductions.....	1,314,724.36	-----	1,314,724.36
Accrued interest on deductions.....	153,076.58	-----	153,076.58
Total.....	1,467,800.94	-----	1,467,800.94
<b>Appropriations.....</b>	7,208,000.00	1,177,000.00	8,385,000.00
<b>Interest and profits on investments.....</b>	2,190,637.04	403,321.52	2,593,958.56
Total receipts.....	20,068,349.38	2,723,199.85	22,791,549.23
<b>Expenditures:</b>			
Annuity payments and refunds.....	10,473,722.08	1,545,242.05	12,018,964.13
Balance.....	9,594,627.30	1,177,957.80	10,772,585.10

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
4% special Treasury notes, Canal Zone retirement fund series, maturing:			
June 30, 1945.....	\$1,328,000.00	—\$1,328,000.00	-----
June 30, 1946.....	3,451,000.00	-----	\$3,451,000.00
June 30, 1947.....	1,834,000.00	-----	1,834,000.00
June 30, 1948.....	1,870,000.00	-----	1,870,000.00
June 30, 1949.....	656,000.00	1,177,000.00	1,833,000.00
June 30, 1950.....	-----	1,200,000.00	1,200,000.00
3% special Treasury notes, Canal Zone retirement fund series, maturing:			
June 30, 1948.....	18,000.00	-----	18,000.00
June 30, 1949.....	-----	57,000.00	57,000.00
June 30, 1950.....	-----	5,000.00	5,000.00
Total investments.....	9,187,000.00	1,111,000.00	10,298,000.00
<b>Unexpended balances:</b>			
To credit of disbursing officer.....	299,768.03	8,155.04	307,923.07
On books of the Division of Bookkeeping and Warrants.....	<sup>2</sup> 107,859.27	58,802.76	<sup>3</sup> 166,662.03
Total assets.....	9,594,627.30	1,177,957.80	10,772,585.10

<sup>1</sup> Includes payment from Panama Railroad Co. of \$355,984.00 for the fiscal year 1941.<sup>2</sup> Excludes \$293.41 representing deposit in transit.<sup>3</sup> Excludes \$225.85 representing July prior deposits appropriated June 30, 1945.

TABLE 69.—*Civil service retirement and disability fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of the act of May 22, 1920 (41 Stat. 614). For further details see annual report of the Secretary for 1941, p. 136]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative to June 30, 1944	Increase, fiscal year 1945	Cumulative to June 30, 1945
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act <sup>1</sup> .....	\$1, 168, 834, 642. 62	\$287, 237, 059. 04	\$1, 456, 071, 701. 66
On account of voluntary contributions.....	2, 517, 275. 00	1, 018, 375. 00	3, 535, 650. 00
Appropriations.....	942, 744, 204. 00	<sup>2</sup> 195, 790, 875. 00	1, 138, 535, 079. 00
Interest and profits on investments.....	298, 161, 446. 35	68, 582, 148. 62	366, 743, 594. 97
Total receipts.....	2, 412, 257, 567. 97	552, 628, 457. 66	2, 964, 886, 025. 63
Expenditures:			
Annuity payments and refunds.....	934, 917, 275. 92	148, 351, 393. 89	1, 083, 268, 669. 81
Transfers to Canal Zone retirement and disability fund:			
On account of deductions.....	1, 314, 724. 36	-----	1, 314, 724. 36
Accrued interest on deductions.....	153, 076. 58	-----	153, 076. 58
Total.....	1, 467, 800. 94	-----	1, 467, 800. 94
Transfers to Alaska Railroad retirement and disability fund:			
On account of deductions.....	30, 980. 06	-----	30, 980. 06
Accrued interest on deductions.....	2, 170. 16	-----	2, 170. 16
Total.....	33, 150. 22	-----	33, 150. 22
Transfers to policemen's and firemen's relief fund, D. C.:			
On account of deductions.....	29, 547. 16	4, 556. 40	34, 103. 56
Accrued interest on deductions.....	12, 932. 43	2, 334. 76	15, 267. 19
Total.....	42, 479. 59	6, 891. 16	49, 370. 75
Total expenditures.....	936, 460, 706. 67	148, 358, 285. 05	1, 084, 818, 991. 72
Balance.....	1, 475, 796, 861. 30	404, 270, 172. 61	1, 880, 067, 033. 91

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Investments:			
4% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1945.....	\$151, 400, 000. 00	—\$151, 400, 000. 00	-----
June 30, 1946.....	210, 700, 000. 00	-----	\$210, 700, 000. 00
June 30, 1947.....	391, 400, 000. 00	-----	391, 400, 000. 00
June 30, 1948.....	519, 500, 000. 00	-----	519, 500, 000. 00
June 30, 1949.....	176, 000, 000. 00	333, 100, 000. 00	509, 100, 000. 00
June 30, 1950.....	-----	215, 000, 000. 00	215, 000, 000. 00
3% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1945.....	328, 000. 00	—328, 000. 00	-----
June 30, 1946.....	415, 000. 00	-----	415, 000. 00
June 30, 1947.....	510, 000. 00	-----	510, 000. 00
June 30, 1948.....	613, 000. 00	-----	613, 000. 00
June 30, 1949.....	47, 000. 00	895, 000. 00	942, 000. 00
June 30, 1950.....	-----	90, 000. 00	90, 000. 00
Total investments.....	1, 450, 913, 000. 00	397, 357, 000. 00	1, 848, 270, 000. 00
Unexpended balances:			
To credit of disbursing officers.....	16, 061, 026. 30	7, 007, 908. 09	23, 068, 934. 39
On books of the Division of Bookkeeping and Warrants.....	<sup>3</sup> 8, 822, 835. 00	—94, 735. 48	<sup>4</sup> 8, 728, 099. 52
Total assets.....	1, 475, 796, 861. 30	404, 270, 172. 61	1, 880, 067, 033. 91

<sup>1</sup> Under Public Law 411, approved Jan. 24, 1942, it was provided that after June 30, 1942, there would be deducted and withheld from the basic salary, pay, or compensation of any officer or employee to whom the Civil Service Retirement Act applies a sum equal to 5 per centum of such officer's or employee's basic salary, pay, or compensation in lieu of the 3½ per centum deduction previously in effect.

<sup>2</sup> Comprises \$194,500,000 appropriated from the General Fund to cover the liability of the United States and \$1,290,875, appropriated from the revenues of the District of Columbia to cover its liability in connection with the financing of the fund.

<sup>3</sup> Does not include \$4,390,330.49 representing July prior deposits appropriated as of June 30, 1944, and also a deposit of repayment of \$60 effected in the daily Treasury statement for July 1944.

<sup>4</sup> Does not include \$4,233,850.50 representing July prior deposits appropriated as of June 30, 1945.



TABLE 70.—*District of Columbia teachers' retirement fund—Assets held by the Treasury Department, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of Jan. 15, 1920 (41 Stat. 387).  
For further details see annual report of the Secretary for 1941, p. 140]

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Deductions fund			
Investments:			
Government securities:			
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>
3½% of 1946-56.....	\$87,437.81		\$87,000.00
4½% of 1947-52.....	956,962.07		860,200.00
2% of 1948-50 (dated Dec. 8, 1939).....	40,000.00		40,000.00
2½% of 1951-54.....	79,382.19		77,000.00
2½% of 1952-54.....	276,000.00		276,000.00
2½% of 1954-56.....	502,000.00		502,000.00
2½% of 1955-60.....	1,927,412.21		1,896,850.00
2½% of 1956-59.....	107,920.63		105,000.00
2½% of 1956-58.....	49,100.31		47,000.00
2½% of 1958-63.....	300,245.94		293,000.00
2½% of 1960-65.....	483,302.82	—\$483,302.82	
2½% of 1964-69 (dated Sept. 15, 1943).....	959,000.00		959,000.00
2½% of 1964-69 (dated Apr. 15, 1943).....	475,998.75		475,000.00
2½% of 1965-70.....	125,000.00		125,000.00
2½% of 1966-71.....		50,000.00	50,000.00
2½% of 1967-72 (dated Oct. 20, 1941).....	179,000.00		179,000.00
2½% of 1967-72 (dated June 1, 1945).....		600,897.60	600,000.00
United States savings bonds, 2½%, Series G.....	350,000.00	100,000.00	450,000.00
Total, Government securities.....	6,898,762.73	267,594.78	7,022,050.00
Other securities:			
4½% Philippine Islands bonds.....	197,669.56		182,000.00
4½% Puerto Rican bonds.....	15,962.57		16,000.00
Total other securities.....	213,632.13		198,000.00
Total investments.....	7,112,394.86	267,594.78	7,220,050.00
Unexpended balances:			
To credit of disbursing officers.....	9,262.08	30,725.45	39,987.53
On books of the Division of Bookkeeping and Warrants.....	177,706.22	—39,570.03	138,136.19
Total assets.....	7,299,363.16	258,750.20	7,558,113.36

TABLE 70.—*District of Columbia teachers' retirement fund—Assets held by the Treasury Department, June 30, 1945—Continued*

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945	
	Government reserve fund			
Investments:				
Government securities:				
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
3¾% of 1946-56.....	\$31,145.31		\$31,000.00	\$31,145.31
4¼% of 1947-52.....	313,717.51		282,000.00	313,717.51
2% of 1948-50.....	25,000.00		25,000.00	25,000.00
2¾% of 1951-54.....	17,525.94		17,000.00	17,525.94
2½% of 1952-54.....	237,000.00		237,000.00	237,000.00
2¼% of 1954-56.....	154,000.00		154,000.00	154,000.00
2½% of 1955-60.....	1,097,915.04		1,085,000.00	1,097,915.04
2½% of 1956-59.....	128,283.76		126,000.00	128,283.76
2¾% of 1958-63.....	318,227.20		313,000.00	318,227.20
2¾% of 1960-65.....	249,540.32	—\$249,540.32		
2½% of 1964-69 (dated Sept. 15, 1943).....	344,500.00		344,500.00	344,500.00
2½% of 1964-69 (dated Apr. 15, 1943).....	403,722.50		403,000.00	403,722.50
2½% of 1965-70.....	132,000.00		132,000.00	132,000.00
2½% of 1966-71.....		101,000.00	101,000.00	101,000.00
2½% of 1967-72 (dated Oct. 20, 1941).....	162,000.00		162,000.00	162,000.00
2½% of 1967-72 (dated June 1, 1945).....		540,807.84	540,000.00	540,807.84
United States savings bonds, 2½%, Series G.....	203,500.00	59,000.00	262,500.00	262,500.00
Total, Government securities.....	3,818,077.58	451,267.52	4,215,000.00	4,269,345.10
Other securities:				
4½% Puerto Rican bonds.....	55,109.56		55,000.00	55,109.56
Total other securities.....	55,109.56		55,000.00	55,109.56
Total investments.....	3,873,187.14	451,267.52	4,270,000.00	4,324,454.66
Unexpended balances:				
To credit of disbursing officers.....	147,876.63	—93,747.08		54,129.55
On books of the Division of Bookkeeping and Warrants.....	136,670.71	—43,944.93		92,725.78
Total assets.....	4,157,734.48	313,575.51		4,471,309.99
	Summary			
Investments:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
Government securities.....	\$10,716,840.31	\$718,862.30	\$11,237,050.00	\$11,435,702.61
Other securities.....	268,741.69		253,000.00	268,741.69
Total investments.....	10,985,582.00	718,862.30	11,490,050.00	11,704,444.30
Unexpended balances:				
To credit of disbursing officers.....	157,138.71	—63,021.63		94,117.08
On books of the Division of Bookkeeping and Warrants.....	314,376.93	—83,514.96		230,861.97
Total assets.....	11,457,097.64	572,325.71		12,029,423.35

TABLE 71.—*District of Columbia water fund—Investments held by the Treasury Department, June 30, 1945*

[These investments were made in accordance with the provisions of the act of June 29, 1937 (50 Stat. 392), and in subsequent appropriation acts for the District of Columbia. For further details see annual report of the Secretary for 1941, p. 142]

Investments	June 30, 1944 (principal cost)	Fiscal year 1945	June 30, 1945	
			Par value	Principal cost
Treasury bonds:				
2½% of 1952-54.....	\$100,000.00	-----	\$100,000.00	\$100,000.00
2¾% of 1958-63.....	749,110.01	-----	736,000.00	749,110.01
2¾% of 1960-65.....	987,511.56	-----	937,000.00	987,511.56
Total investments.....	1,836,621.57	-----	1,773,000.00	1,836,621.57

TABLE 72.—*Assets held by the Treasury Department under the Workmen's Compensation Act, within the District of Columbia, June 30, 1945*<sup>1</sup>

[This trust fund was established in accordance with the provisions of the act of May 17, 1928 (45 Stat. 600). For further details see annual report of the Secretary for 1941, p. 141]

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945	
			Par value	Principal cost
Investments:				
Government securities:				
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
2% of 1948-50 (dated Dec. 8, 1939)....	\$12,000.00	-----	\$12,000.00	\$12,000.00
2½% of 1952-54.....	5,000.00	-----	5,000.00	5,000.00
2¾% of 1955-60.....	10,165.63	-----	10,000.00	10,165.63
2¾% of 1962-67.....	5,000.00	-----	5,000.00	5,000.00
United States savings bonds:				
2½%, Series G.....	11,600.00	\$4,000.00	15,600.00	15,600.00
Total investments.....	43,765.63	4,000.00	47,600.00	47,765.63
Unexpended balances:				
To credit of disbursing officers.....	1,193.54	439.08	-----	1,632.62
On books of the Division of Bookkeeping and Warrants.....	11,530.91	—1,178.71	-----	10,352.20
Total assets.....	56,490.08	3,260.37	-----	59,750.45

<sup>1</sup> Formerly known as the District of Columbia workmen's compensation fund.

TABLE 73.—Federal old-age and survivors insurance trust fund, June 30, 1945

[On basis of daily Treasury statements, see p. 437. This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments of 1939, approved Aug. 10, 1939 (53 Stat. 1362). For further details see annual report of the Secretary for 1940, p. 212]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Appropriations.....	\$5,711,377,201.47	\$1,309,919,400.41	\$7,021,296,601.88
Interest on investments.....	404,658,876.44	123,853,998.15	528,512,874.59
Total receipts.....	6,116,036,077.91	1,433,773,398.56	7,549,809,476.47
Expenditures:			
Benefit payments and refunds.....	543,651,632.37	239,833,904.85	783,485,537.22
Reimbursements for administrative expenses under Sec. 201 (f) of the Social Security Act of 1939.....	125,993,679.00	26,949,640.56	152,943,319.56
Total expenditures.....	669,645,311.37	266,783,545.41	936,428,856.78
Balance.....	5,446,390,766.54	1,166,989,853.15	6,613,380,619.69

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Investments:			
Special Treasury notes:			
Federal old-age and survivors insurance trust fund:			
2½% series maturing:			
June 30, 1945.....	\$725,900,000.00	—\$725,900,000.00	-----
June 30, 1946.....	319,200,000.00	-----	\$319,200,000.00
2½% series maturing:			
June 30, 1946.....	603,000,000.00	-----	603,000,000.00
2¼% series maturing:			
June 30, 1946.....	228,000,000.00	-----	228,000,000.00
June 30, 1947.....	450,400,000.00	-----	450,400,000.00
2½% series maturing:			
June 30, 1947.....	240,000,000.00	-----	240,000,000.00
2% series maturing:			
June 30, 1947.....	459,000,000.00	-----	459,000,000.00
1½% series maturing:			
June 30, 1947.....	251,000,000.00	-----	251,000,000.00
June 30, 1948.....	1,109,000,000.00	-----	1,109,000,000.00
Total special Treasury notes.....	4,385,500,000.00	—725,900,000.00	3,659,600,000.00
Special Treasury certificates of indebtedness:			
1½% maturing June 30, 1945.....	380,000,000.00	—380,000,000.00	-----
1½% maturing June 30, 1946.....	-----	1,648,000,000.00	1,648,000,000.00
Total special certificates of indebtedness.....	380,000,000.00	1,268,000,000.00	1,648,000,000.00
Treasury bonds:			
2½% of 1967-72 (dated Oct. 20, 1941).....	44,334,250.00	-----	44,334,250.00
2½% of 1967-72 (dated June 1, 1945).....	-----	300,000,000.00	300,000,000.00
2½% of 1962-67.....	49,000,000.00	-----	49,000,000.00
2½% of 1963-68.....	100,000,000.00	-----	100,000,000.00
2½% of 1964-69.....	50,000,000.00	-----	50,000,000.00
2½% of 1965-70.....	1,400,035,880.00	2—35,880.00	400,000,000.00
2½% of 1966-71.....	-----	295,000,000.00	295,000,000.00
Total Treasury bonds.....	643,370,130.00	594,964,120.00	1,238,334,250.00
Total investments.....	5,408,870,130.00	1,137,064,120.00	6,545,934,250.00
Accrued interest paid on investments.....	-----	346,800.00	346,800.00
Unexpended balances:			
To credit of disbursing officer.....	21,384,354.27	13,707,975.00	35,092,329.27
On books of the Division of Bookkeeping and Warrants.....	<sup>3</sup> 16,136,282.27	15,870,958.15	<sup>4</sup> 32,007,240.42
Total assets.....	5,446,390,766.54	1,166,989,853.15	6,613,380,619.69

<sup>1</sup> Includes \$35,880 accrued interest paid.

<sup>2</sup> Accrued interest collected.

<sup>3</sup> Includes \$5,793.79 adjustment made in fiscal year 1945.

<sup>4</sup> Excludes unadjusted deposits of \$118,241.16, deposits in transit of \$1,555.18, and transfer-counter warrant of \$25.11; also includes \$100 adjustment by negative appropriation warrant.



TABLE 74.—*Railroad retirement account, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust account was established in accordance with the provisions of Sec. 15 (a) of the act of June 24, 1937 (50 Stat. 316). For further details see annual report of the Secretary for 1941, p. 148]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Appropriations.....	\$1, 116, 871, 000. 00	\$308, 817, 000. 00	\$1, 425, 688, 000. 00
Interest on investments.....	27, 186, 030. 02	15, 240, 493. 19	42, 426, 523. 21
Total receipts.....	1, 144, 057, 030. 02	324, 057, 493. 19	1, 468, 114, 523. 21
Expenditures:			
Annuity payments and refunds.....	811, 020, 264. 85	141, 444, 643. 89	952, 464, 908. 74
Balance.....	333, 036, 765. 17	182, 612, 849. 30	515, 649, 614. 47

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or de- crease (—), fiscal year 1945	June 30, 1945
Investments:			
3% special Treasury notes, railroad retire- ment series, maturing:			
June 30, 1947.....	\$50, 000, 000. 00	—\$50, 000, 000. 00	-----
June 30, 1948.....	261, 500, 000. 00	—87, 500, 000. 00	\$174, 000, 000. 00
June 30, 1949.....	7, 000, 000. 00	306, 500, 000. 00	313, 500, 000. 00
June 30, 1950.....	-----	13, 000, 000. 00	13, 000, 000. 00
Total investments.....	318, 500, 000. 00	182, 000, 000. 00	500, 500, 000. 00
Unexpended balances:			
To credit of disbursing officers.....	13, 390, 180. 15	1, 291, 462. 26	14, 681, 642. 41
On books of the Division of Bookkeeping and Warrants.....	<sup>1</sup> 1, 146, 585. 02	—678, 612. 96	467, 972. 06
Total assets.....	333, 036, 765. 17	182, 612, 849. 30	515, 649, 614. 47

<sup>1</sup> Excludes \$231.43 representing deposit in transit.

TABLE 75.—*Unemployment trust fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of Sec. 904 (a) of the Social Security Act of Aug. 14, 1935 (49 Stat. 640). For further details see annual report of the Secretary for 1941, p. 145]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	State unemployment agencies			Railroad unemployment insurance account <sup>1</sup>			Total unemployment trust fund		
	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
<b>Receipts:</b>									
Deposits.....	\$7,284,341,896.91	\$1,256,002,876.17	\$8,540,344,773.08	\$383,678,153.73	\$118,794,041.80	\$502,472,195.53	\$7,668,029,050.64	\$1,374,796,917.97	\$9,042,816,968.61
Transfers from State unemployment funds to railroad unemployment insurance account.....									
Advance by the Secretary of the Treasury (July 5, 1939).....									
Transfers from railroad unemployment insurance administration fund (act of Oct. 10, 1940).....									
Subtotal.....	7,284,341,896.91	1,256,002,876.17	8,540,344,773.08	533,661,589.62	128,112,184.95	661,773,774.57	7,818,003,486.53	1,384,115,061.12	9,202,118,547.65
Interest on investments.....	354,345,988.99	113,153,086.82	467,499,075.81	23,542,414.25	10,488,456.66	34,030,870.91	377,888,403.24	123,641,542.98	501,529,946.22
Total receipts.....	7,638,687,885.90	1,369,155,962.99	9,007,843,848.89	557,204,003.87	138,600,641.61	695,804,645.48	8,195,891,889.77	1,507,756,604.10	9,703,648,493.87
<b>Expenditures:</b>									
Withdrawals by States.....	2,152,379,340.27	70,122,000.86	2,222,501,341.13				2,152,379,340.27	70,122,000.86	2,222,501,341.13
Transfers to railroad unemployment insurance account from State unemployment funds.....	105,900,768.89	369,930.15	106,270,699.04				105,900,768.89	369,930.15	106,270,699.04
Repayment of advance to the Secretary of the Treasury (January 1940).....				15,000,000.00		15,000,000.00	15,000,000.00		15,000,000.00
Subtotal.....	2,258,280,109.16	70,491,931.01	2,328,772,040.17	15,000,000.00		15,000,000.00	2,273,280,109.16	70,491,931.01	2,343,772,040.17
Railroad unemployment benefit payments and re-funds.....				43,833,547.47	785,401.92	44,618,949.39	43,833,547.47	785,401.92	44,618,949.39
Total expenditures.....	2,258,280,109.16	70,491,931.01	2,328,772,040.17	58,833,547.47	785,401.92	59,618,949.39	2,317,113,656.63	71,277,332.93	2,388,390,989.56
Balance.....	5,380,407,776.74	1,298,664,031.48	6,679,071,808.22	498,370,456.40	137,815,239.69	636,185,696.09	5,878,778,233.14	1,436,479,271.17	7,315,257,504.31

<sup>1</sup> Railroad Unemployment Insurance Act, approved June 25, 1938.

TABLE 75.—Unemployment trust fund, June 30, 1945—Continued

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
Special Treasury certificates of indebtedness, unemployment trust fund:			
1½% series maturing June 30, 1945.....	\$5,610,000,000.00	—\$5,610,000,000.00	
1½% series, maturing June 30, 1946.....		6,747,000,000.00	\$6,747,000,000.00
<b>Treasury bonds:</b>			
2½% of 1962-67.....	50,000,000.00		50,000,000.00
2½% of 1963-68.....	40,000,000.00		40,000,000.00
2½% of 1964-69 (dated Apr. 15, 1943).....	20,000,000.00		20,000,000.00
2½% of 1965-70.....	150,000,000.00		150,000,000.00
2½% of 1966-71.....		150,000,000.00	150,000,000.00
2½% of 1967-72 (dated June 1, 1945).....		150,173,400.00	150,173,400.00
<b>Total investments.....</b>	<b>5,870,000,000.00</b>	<b>1,437,173,400.00</b>	<b>7,307,173,400.00</b>
<b>Unexpended balances:</b>			
Cash with the Treasurer of the United States.....	8,511,780.61	—708,726.91	7,803,053.70
To credit of disbursing officers.....	266,452.53	14,598.08	281,050.61
<b>Total assets.....</b>	<b>5,878,778,233.14</b>	<b>1,436,479,271.17</b>	<b>7,315,257,504.31</b>

<sup>1</sup> Includes accrued interest paid of \$173,400.

## III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1945, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1945
Alabama.....	\$87,273,843.42	\$4,609,083.27	\$26,115,000.00	\$65,767,926.69
Alaska.....	8,694,930.10	388,133.22	1,415,378.48	7,667,684.84
Arizona.....	23,976,271.78	1,087,573.73	6,627,234.97	18,436,610.54
Arkansas.....	36,033,069.47	1,870,568.22	9,802,846.36	28,100,791.33
California.....	904,919,818.41	43,696,983.16	251,781,279.44	696,835,522.13
Colorado.....	42,956,283.22	2,632,999.75	12,552,040.19	33,037,242.78
Connecticut.....	190,625,000.00	11,394,084.88	31,921,996.24	170,097,088.64
Delaware.....	16,349,800.20	1,390,082.82	3,340,569.51	14,399,313.51
District of Columbia.....	48,948,451.48	4,203,297.98	10,497,229.25	42,654,520.21
Florida.....	74,129,820.77	3,257,889.46	23,622,550.60	53,765,159.63
Georgia.....	91,122,192.82	5,504,985.15	20,363,698.83	76,263,479.14
Hawaii.....	16,756,484.42	1,420,490.36	1,031,881.25	17,145,093.53
Idaho.....	20,592,097.27	883,891.16	7,482,013.78	13,993,974.65
Illinois.....	622,089,013.81	41,679,824.28	162,364,013.81	501,404,824.28
Indiana.....	225,733,781.77	12,323,219.15	59,874,592.27	178,182,408.65
Iowa.....	74,360,000.00	4,177,811.07	19,509,841.32	59,027,969.75
Kansas.....	60,550,499.59	3,504,401.96	12,101,508.32	51,953,393.23
Kentucky.....	96,508,000.00	6,902,124.75	19,817,908.36	83,592,216.39
Louisiana.....	102,434,000.00	4,652,683.15	32,237,139.06	74,849,544.09
Maine.....	48,215,700.00	1,881,545.80	15,187,337.04	34,909,908.76
Maryland.....	150,287,000.00	7,152,820.56	34,720,347.37	122,719,473.19
Massachusetts.....	309,763,000.00	18,853,574.02	115,812,725.57	212,803,848.45
Michigan.....	436,483,930.05	20,158,383.90	181,781,485.64	274,860,828.31
Minnesota.....	122,587,807.29	5,684,896.09	42,910,982.32	85,361,721.06
Mississippi.....	32,286,978.76	1,376,300.39	9,613,412.60	24,049,866.55
Missouri.....	176,534,668.20	12,426,583.62	35,465,464.25	153,495,787.57
Montana.....	25,265,497.20	1,277,501.04	9,137,604.06	17,405,394.18
Nebraska.....	30,694,135.90	1,982,241.59	7,476,585.10	25,199,792.39
Nevada.....	12,686,320.17	529,600.23	3,487,734.46	9,728,185.94
New Hampshire.....	29,214,068.01	1,639,821.85	9,688,106.20	21,165,783.66
New Jersey.....	483,133,500.00	30,952,766.49	79,293,521.02	434,792,745.47
New Mexico.....	13,055,000.00	694,478.28	4,294,544.78	9,454,933.50
New York.....	1,335,837,367.03	59,487,022.83	441,045,977.24	954,278,412.62
North Carolina.....	120,962,000.00	6,589,787.08	26,988,334.43	100,563,452.65
North Dakota.....	7,146,276.31	443,224.64	2,684,479.75	4,905,021.20
Ohio.....	510,933,574.72	36,994,849.08	86,369,005.70	461,559,418.10
Oklahoma.....	57,661,000.00	3,812,017.13	15,479,133.15	45,993,883.93
Oregon.....	85,275,680.85	3,759,922.40	19,649,892.41	69,385,710.84
Pennsylvania.....	781,155,000.00	40,846,881.41	224,098,998.97	597,902,882.44
Rhode Island.....	100,509,727.95	4,294,280.20	34,631,992.23	70,172,015.92
South Carolina.....	44,504,000.00	2,809,278.39	10,440,743.96	36,922,534.48
South Dakota.....	7,394,400.00	619,234.51	1,800,804.23	6,212,830.28
Tennessee.....	108,749,000.00	4,497,167.65	33,091,440.15	80,154,727.50
Texas.....	182,144,000.00	12,027,414.52	45,453,030.42	148,718,384.10
Utah.....	32,310,367.70	1,381,646.39	9,231,976.36	24,460,037.73
Vermont.....	14,732,341.36	849,203.72	3,622,074.06	11,959,471.02
Virginia.....	82,862,000.00	4,839,080.59	25,533,850.22	62,167,230.37
Washington.....	161,430,602.61	7,697,561.05	26,504,178.53	142,623,985.13
West Virginia.....	90,989,467.76	4,699,886.36	28,406,586.39	67,282,767.73
Wisconsin.....	191,100,300.62	13,231,747.44	31,023,429.67	173,308,618.39
Wyoming.....	11,021,963.64	579,066.19	4,007,039.85	7,593,989.98
<b>Total.....</b>	<b>8,540,980,034.66</b>	<b>469,709,912.96</b>	<b>2,331,391,540.17</b>	<b>6,679,298,407.45</b>

TABLE 75.—*Unemployment trust fund, June 30, 1945—Continued*

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1945, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT—Continued

	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1945
Adjustments to daily Treasury statement basis:				
Deposits not cleared by the Treasurer of the United States.....	—\$635,261.58	-----	-----	—\$635,261.58
Outstanding checks.....			—\$2,619,500.00	2,619,500.00
Accrued interest credited to State account.....		—\$2,210,837.65	-----	—2,210,837.65
Total, on basis of daily Treasury statements.....	8,540,344,773.08	467,499,075.31	2,328,772,040.17	6,679,071,808.22
Railroad unemployment insurance account:				
Deposits of Railroad Retirement Board.....	502,472,195.53	-----	-----	502,472,195.53
Transfers from State unemployment funds.....	106,270,699.04	-----	-----	106,270,699.04
Interest on investments.....		34,237,963.99	-----	34,237,963.99
Transfers to chief disbursing officer.....			44,900,000.00	—44,900,000.00
Appropriation advance and repayment.....	15,000,000.00	-----	15,000,000.00	-----
Transfers from administration fund.....	38,030,880.00	-----	-----	38,030,880.00
Total.....	661,773,774.57	34,237,963.99	59,900,000.00	636,111,738.56
Adjustments to daily Treasury statement basis:				
Accrued interest credited to insurance account.....		—207,093.08	-----	—207,093.08
Cash with disbursing officers.....			—281,050.61	281,050.61
Total on basis of daily Treasury statements.....	661,773,774.57	34,030,870.91	59,618,949.39	636,185,696.09
Total unemployment trust fund, as shown in the daily Treasury statement.....	9,202,118,547.65	501,529,946.22	2,388,390,989.56	7,315,257,504.31

TABLE 76.—*Foreign service retirement and disability fund, June 30, 1945*

[On basis of daily Treasury statements, see p. 437. This trust fund was established in accordance with the provisions of Sec. 18 of the act of May 24, 1924 (43 Stat. 144). For further details see annual report of the Secretary for 1941, p. 138]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act.....	\$4,151,303.81	\$237,975.22	\$4,389,279.03
Appropriations.....	5,377,600.00	910,500.00	6,288,100.00
Interest and profits on investments.....	2,100,745.91	308,722.57	2,409,468.48
Total receipts.....	11,629,649.72	1,457,197.79	13,086,847.51
Expenditures:			
Annuity payments and refunds.....	4,545,109.57	538,384.69	5,083,494.26
Balance.....	7,084,540.15	918,813.10	8,003,353.25



TABLE 76.—*Foreign service retirement and disability fund, June 30, 1945—Con.*

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
4% special Treasury notes, foreign service retirement fund series, maturing:			
June 30, 1945.....	\$1,602,000.00	—\$1,602,000.00	-----
June 30, 1946.....	1,437,000.00	-----	\$1,437,000.00
June 30, 1947.....	1,606,000.00	-----	1,606,000.00
June 30, 1948.....	1,638,000.00	-----	1,638,000.00
June 30, 1949.....	729,000.00	910,000.00	1,639,000.00
June 30, 1950.....	-----	1,500,000.00	1,500,000.00
3% special Treasury notes, foreign service retirement fund series, maturing:			
June 30, 1949.....	-----	6,000.00	6,000.00
June 30, 1950.....	-----	10,000.00	10,000.00
Total investments.....	7,012,000.00	824,000.00	7,836,000.00
<b>Unexpended balances:</b>			
To credit of disbursing officers.....	63,696.52	26,492.46	90,188.98
On books of the Division of Bookkeeping and Warrants.....	18,843.63	68,320.64	77,164.27
Total assets.....	7,084,540.15	918,813.10	8,003,353.25

<sup>1</sup> Exclusive of \$32.50 representing deposits in transit.

TABLE 77.—*Library of Congress trust fund, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of Mar. 3, 1925 (43 Stat. 1107). For further details see annual report of the Secretary for 1941, p. 149]

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD <sup>1</sup>

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments:</b>			
<i>William E. Benjamin donation</i>			
1,352 shares, common stock, Standard Oil Co. of California.....	\$33,800.00	-----	\$33,800.00
<i>R. R. Bowker donation</i>			
7% German external loan bonds, German Government.....	2,000.00	-----	2,000.00
6½% sinking fund gold bonds, Japanese Government.....	2,000.00	-----	2,000.00
48 shares, common stock, American Telephone & Telegraph Co.....	4,800.00	-----	4,800.00
<i>Carnegie donation</i>			
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co.....	5,000.00	-----	5,000.00
<i>Elizabeth Sprague Coolidge donation</i>			
5% first mortgage bonds, Chicago Railways Co.....	3,750.00	—\$3,750.00	-----
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co.....	2,000.00	-----	2,000.00
100 shares, common stock, American Ship Building Co.....	6,000.00	-----	6,000.00
171 shares, common stock, American Telephone & Telegraph Co.....	17,100.00	-----	17,100.00
7 shares, common stock, Board of Trade Building Trust of Boston.....	700.00	-----	700.00
496 shares, common stock, Commonwealth Edison Co.....	12,400.00	-----	12,400.00
<i>Friends of Music in the Library of Congress donation</i>			
4½% debenture bonds, Pennsylvania R. R. Co.....	2,000.00	—2,000.00	-----
10 shares, stock, Washington Gas Light Co.....	150.00	-----	150.00
<i>Archer M. Huntington donation</i>			
5% first and refunding mortgage bonds, Missouri Pacific R. R. Co.....	49,500.00	-----	49,500.00

Footnotes at end of table.

TABLE 77.—Library of Congress trust fund, June 30, 1945—Continued

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD—Continued

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
<b>Investments—Continued.</b>			
<i>Dayton C. Miller donation</i>			
50 shares, common stock, Dow Chemical Co.....	\$5,000.00	-----	\$5,000.00
<i>Joseph Pennell donation</i>			
4% general consolidated mortgage gold bonds, Lehigh Valley R. R. Co.....	5,000.00	-----	5,000.00
6% secured gold note, National Railways of Mexico.....	45.00	-----	45.00
4½% prior lien gold bonds, National Railways of Mexico.....	3,000.00	-----	3,000.00
5% consolidated mortgage bonds, Pennsylvania and New York Canal and R. R. Co.....	1,000.00	-----	1,000.00
4½% general and refunding mortgage bonds, Reading Co.....	11,000.00	—\$11,000.00	-----
9 shares, preferred stock, Consolidation Coal Co.....	450.00	—450.00	-----
54 shares, common stock, Consolidation Coal Co.....	1,350.00	-----	1,350.00
5% sinking fund gold bonds, Philadelphia and Reading Coal and Iron Co.....	900.00	—165.00	735.00
Rights to interest in arrears, United States of Mexico.....	429.30	-----	429.30
Rights to interest in arrears, United States of Mexico.....	810.00	-----	810.00
6 shares, preferred stock, Lehigh Valley Coal Corp.....	300.00	-----	300.00
134 shares common stock, Pennsylvania R. R. Co.....	6,700.00	-----	6,700.00
105 shares, common stock, Westmoreland Coal Co.....	2,100.00	-----	2,100.00
Common stock, Westmoreland, Inc.....	1,050.00	-----	1,050.00
6% general mortgage income bonds, Philadelphia & Reading Coal & Iron Co. (New Co.).....	-----	190.00	190.00
27 shares, common stock, Philadelphia & Reading Coal & Iron Co. (New Co.).....	-----	27.00	27.00
Fractional scrip, Philadelphia & Reading Coal & Iron Co. (New Co.).....	-----	70.00	70.00
Total investments <sup>1</sup> .....	180,334.30	—17,078.00	163,256.30
<b>Mortgages, real estate, etc.:</b>			
<i>Pennell donation</i>			
<b>Mortgages (face value):</b>			
W. Norris St., Philadelphia, Pa.....	3,100.00	—3,100.00	-----
Spruce St., Stonchurst, Delaware County, Pa.....	1,962.50	—1,962.50	-----
Osage Ave., Philadelphia, Pa.....	1,000.00	—1,000.00	-----
Chestnut St., Philadelphia, Pa.....	857.17	—20.41	836.76
N. 31st St., Philadelphia, Pa.....	4,100.00	—4,100.00	-----
West Drexel Road, Landsdowne, Pa.....	3,550.00	—3,550.00	-----
<b>Real estate, etc. (book value):</b>			
Delancy St., Philadelphia, Pa.....	4,197.35	—2,500.00	1,697.35
Pine St., Philadelphia, Pa.....	13,496.65	-----	13,496.65
N. Frazier St., Philadelphia, Pa.....	7,164.16	—4,500.00	2,664.16
Ritner St., Philadelphia, Pa.....	5,759.19	—2,846.50	2,912.69
Reese St., Philadelphia, Pa.....	2,316.45	—2,100.00	216.45
Boston Ave., Philadelphia, Pa.....	2,686.79	—1,900.00	786.79
<i>Porter donation</i>			
Real estate located at 16th and Eye Sts. NW., Washington, D. C.....	(2)	-----	(2)
Total mortgages, real estate, etc.....	50,190.26	—27,579.41	22,610.85
<b>Unexpended balances on books of the Division of Bookkeeping and Warrants:</b>			
<b>Permanent loan fund:</b>			
Babine.....	6,684.74	-----	6,684.74
Beethoven.....	12,088.13	-----	12,088.13
Bowker.....	1,169.06	-----	1,169.06
Carnegie.....	88,365.58	-----	88,365.58
Coolidge.....	108,294.07	2,986.19	111,280.26
Louis C. Elson memorial fund.....	-----	12,585.03	12,585.03
Friends of Music in the Library of Congress.....	3,192.85	2,050.00	5,242.85
Guggenheim.....	90,654.22	-----	90,654.22
Huntington.....	113,396.99	-----	113,396.99
Longworth.....	7,691.59	-----	7,691.59
Miller.....	11,515.87	-----	11,515.87
Pennell.....	238,419.64	38,025.15	276,444.79
Whittall.....	310,000.00	10,000.00	320,000.00
Wilbur.....	305,813.57	-----	305,813.57
Total permanent loan fund.....	1,297,286.31	65,646.37	1,362,932.68
Total assets.....	1,527,810.87	20,988.96	1,548,799.83

Footnotes at end of table.

TABLE 77.—*Library of Congress trust fund, June 30, 1945*—Continued

## II. LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1945

Donation	Cumulative through June 30, 1944	Fiscal year 1945	Cumulative through June 30, 1945
Income account, securities, real estate, etc.			
Babine.....	\$1,785.58		\$1,785.58
Beethoven.....	4,429.73		4,429.73
Benjamin.....	40,550.90	\$2,704.00	43,254.90
Bowker.....	2,807.36	432.00	3,239.36
Carnegie.....	37,338.36	250.00	37,588.36
Coolidge.....	107,049.78	2,636.90	109,686.68
Friends of Music in the Library of Congress.....	209.47	105.00	314.47
Guggenheim.....	32,759.36		32,759.36
Huntington.....	129,135.72	<sup>1</sup> 11,574.32	140,710.04
Longworth.....	757.02		757.02
Miller.....	112.50	150.00	262.50
Pennell.....	67,317.92	5,054.97	72,372.89
Porter.....	17,581.02	4,620.75	22,201.77
Wilbur.....	107,345.09		107,345.09
Total.....	549,179.81	27,527.94	576,707.75
Income account, permanent loan fund			
Babine.....	\$1,866.29	\$267.38	\$2,133.67
Beethoven.....	2,850.78	483.52	3,334.30
Bowker.....	141.89	46.76	188.65
Carnegie.....	23,809.11	3,534.62	27,343.73
Coolidge.....	27,319.00	4,368.72	31,687.72
Louis C. Elson memorial fund.....		72.31	72.31
Friends of Music in the Library of Congress.....	229.24	153.32	382.56
Guggenheim.....	21,398.90	3,626.16	25,025.06
Huntington.....	31,751.16	4,535.88	36,287.04
Longworth.....	2,145.33	307.66 <sup>2</sup>	2,452.99
Miller.....	292.37	460.64	753.01
Pennell.....	45,717.57	10,698.95	56,416.52
Whittall.....	73,020.70	12,614.13	85,634.83
Wilbur.....	80,876.56	12,232.56	93,109.12
Total.....	311,418.90	53,402.61	364,821.51
Grand total.....	860,598.71	80,930.55	941,529.26

<sup>1</sup> Does not include 50 shares of Bowden Wire, Ltd., par value £1 per share, and 30 shares of Syndicat Francois des Brevets E. M. Bowden, Ltd., par value £1 per share, held for Pennell donation. Also does not include securities held as investments for Huntington donation under deed of trust dated November 17, 1936, administered by designated trustees, including Bank of New York.

<sup>2</sup> Upon sale of premises, one-half of proceeds to go to Library of Congress Trust Fund Board and one-half to the Smithsonian Institution.

<sup>3</sup> Includes income under deed of trust dated Nov. 17, 1936, administered by designated trustees, including Bank of New York.

TABLE 78.—*Longshoremen's and harbor workers' compensation fund—Assets held by the Treasury Department, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927 (44 Stat. 1444). For further details see annual report of the Secretary for 1941, p. 141]

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945	
Investments:				
Government securities:				
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
4½% of 1947-52	\$38,646.56	-----	\$34,500.00	\$38,646.56
2% of 1948-50 (dated Dec. 8, 1939)	10,000.00	-----	10,000.00	10,000.00
3% of 1951-55	9,959.38	-----	10,000.00	9,959.38
2½% of 1952-54	35,000.00	-----	35,000.00	35,000.00
2½% of 1955-60	14,920.25	-----	14,800.00	14,920.25
2½% of 1956-59	14,976.20	-----	14,850.00	14,976.20
2½% of 1958-63	15,936.38	-----	15,600.00	15,936.38
2½% of 1960-65	14,985.94	-----	13,900.00	14,985.94
2½% of 1962-67	23,000.00	-----	23,000.00	23,000.00
2½% of 1964-69 (dated Apr. 15, 1943)	11,500.00	-----	11,500.00	11,500.00
United States savings bonds:				
2½%, Series G	71,000.00	\$90,000.00	161,000.00	161,000.00
Total investments	259,924.71	90,000.00	344,150.00	349,924.71
Unexpended balances:				
To credit of disbursing officers	4,079.35	—\$28.15	-----	3,251.20
On books of the Division of Bookkeeping and Warrants	166,831.18	—25,544.86	-----	141,286.32
Total assets	430,835.24	63,626.99	-----	494,462.23

TABLE 79.—*National Archives gift fund, June 30, 1945*

[This trust fund was established in accordance with the provisions of the National Archives Trust Fund Board Act of July 9, 1941 (55 Stat. 581)]

## I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1944	Increase or decrease (—), fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donations:			
Mr. and Mrs. Hall Clovis	\$30,000.00	-----	\$30,000.00
Miscellaneous	3,500.00	-----	3,500.00
Total receipts	33,500.00	-----	33,500.00
Expenditures	4,513.21	\$820.22	5,333.43
Balance	28,986.79	—\$20.22	28,166.57

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Unexpended balances:			
To credit of disbursing officer	\$986.79	—\$820.22	\$166.57
On books of the Division of Bookkeeping and Warrants	28,000.00	-----	28,000.00
Total assets	28,986.79	—\$20.22	28,166.57



TABLE 80.—*National Cancer Institute gift fund, June 30, 1945*

[This trust fund was established under sec. 6 of the National Cancer Institute Act of Aug. 5, 1937 (50 Stat. 561). For further details see annual report of the Secretary for 1941, p. 152]

## CONDITIONAL GIFT FUND

## I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1944	Fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donations:			
American Society for the Control of Cancer.....	\$120.00	-----	\$120.00
R. R. Spencer.....	300.00	-----	300.00
Total receipts.....	420.00	-----	420.00
Expenditures.....	300.00	-----	300.00
Balance.....	120.00	-----	120.00

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Fiscal year 1945	June 30, 1945
Unexpended balance on books of the Division of Book-keeping and Warrants.....	\$120.00	-----	\$120.00

## UNCONDITIONAL GIFT FUND

## I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donation by Lt. Col. Stanley C. Ramsden.....	\$100.00	-----	\$100.00
Miscellaneous.....	171.00	\$96.45	267.45
Total receipts.....	271.00	96.45	367.45
Expenditures.....	7.50	-----	7.50
Balance.....	263.50	96.45	359.95

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase, fiscal year 1945	June 30, 1945
Unexpended balance on books of the Division of Book-keeping and Warrants.....	\$263.50	\$96.45	\$359.95

TABLE 81.—*National Institute of Health gift fund, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of May 26, 1930 (46 Stat. 379). For further details see annual report of the Secretary for 1941, p. 152]

## CONDITIONAL GIFT FUND

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donations:			
American Dental Association.....	\$10,000.00	\$5,000.00	\$15,000.00
Chemical Foundation.....	100,000.00	-----	100,000.00
Corn Industries Research Foundation.....	20,000.00	-----	20,000.00
Josiah Macy, Jr., Foundation.....	5,600.00	-----	5,600.00
Rockefeller Foundation.....	22,000.00	-----	22,000.00
The National Foundation for Infantile Paralysis, Inc.....	21,000.00	-----	21,000.00
Total.....	178,600.00	5,000.00	183,600.00
Earnings on investments (Chemical Foundation).....	48,621.83	1,499.92	50,121.75
Total receipts.....	227,221.83	6,499.92	233,721.75
Expenditures (warrants-issued basis):			
Advances to disbursing officers to meet expenditures on account of the Institute:			
American Dental Association.....	10,000.00	5,000.00	15,000.00
Chemical Foundation.....	53,363.26	-----	53,363.26
Corn Industries Research Foundation.....	16,881.90	31.20	16,913.10
Josiah Macy, Jr., Foundation.....	5,600.00	-----	5,600.00
Rockefeller Foundation:			
Dental survey.....	15,000.00	-----	15,000.00
County health work.....	7,000.00	-----	7,000.00
The National Foundation for Infantile Paralysis, Inc.....	17,733.50	1,000.00	18,733.50
Total expenditures.....	125,578.66	6,031.20	131,609.86
Balance.....	101,643.17	468.72	102,111.89

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Investments:			
4¼% Treasury bonds of 1947-52 (par value \$79,000).....	\$88,138.51	—\$88,138.51	-----
2½% Treasury bonds of 1962-72 (dated June 1, 1945).....	-----	86,000.00	\$86,000.00
Total.....	88,138.51	—2,138.51	86,000.00
Unexpended balance on books of the Division of Book-keeping and Warrants:			
American Dental Association.....	-----	-----	-----
Chemical Foundation.....	7,120.06	3,533.17	10,653.23
Corn Industries Research Foundation.....	3,118.10	—31.20	3,086.90
The National Foundation for Infantile Paralysis, Inc.....	3,266.50	—1,000.00	2,266.50
Total unexpended balance.....	13,504.66	2,501.97	16,006.63
Accrued interest paid.....	-----	105.26	105.26
Total assets.....	101,643.17	2,607.23	16,111.89
		468.72	102,111.89

TABLE 81.—*National Institute of Health gift fund, June 30, 1945*—Continued

## UNCONDITIONAL GIFT FUND

## I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1944	Fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donations:			
E. D. Crossman.....	\$900.00		\$900.00
National Merchant Marine Association.....	296.78		296.78
Valentine Perry Snyder.....		\$100.00	100.00
Miscellaneous.....	62.00		62.00
Total receipts.....	1,258.78	100.00	1,358.78
Expenditures.....			
Balance.....	1,258.78	100.00	1,358.78

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Fiscal year 1945	June 30, 1945
Unexpended balance on books of the Division of Book-keeping and Warrants.....	\$1,258.78	\$100.00	\$1,358.78

TABLE 82.—*National park trust fund, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of July 10, 1935 (49 Stat. 477); For further details see annual report of the Secretary for 1941, p. 153]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Donations:			
Alexander Korda Productions.....	\$250.00		\$250.00
Kodak Hawaii, Ltd.....	202.50		202.50
Frank Lloyd Productions, Inc.....	150.00		150.00
Loew's, Inc.....	1,050.00	\$150.00	1,200.00
Metro-Goldwyn-Mayer Distributing Corp.....	50.00		50.00
Metro-Goldwyn-Mayer Corp.....	3,000.00	800.00	3,800.00
Metro-Goldwyn-Mayer Pictures.....	5,000.00		5,000.00
Newton B. Drury.....	38.00	12.00	50.00
Paramount Pictures, Inc.....	304.00		304.00
R. K. O. Radio Pictures, Inc.....	200.00		200.00
Time, Inc.....	10.00		10.00
Twentieth Century Fox Film Corp.....	1,275.00	300.00	1,575.00
Universal Pictures Corp.....	3,200.00	150.00	3,350.00
Vanguard Pictures Corp.....		50.00	50.00
Walter Wanger Productions, Inc.....	900.00		900.00
Warner Bros. Pictures, Inc.....	1,050.00	150.00	1,200.00
Total.....	16,679.50	1,612.00	18,291.50
Interest earned on investments.....	2,930.91	500.76	3,431.67
Total receipts.....	19,610.41	2,112.76	21,723.17
Expenditures.....			
Balance.....	19,610.41	2,112.76	21,723.17

TABLE 82.—*National park trust fund, June 30, 1945*—Continued

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase, fiscal year 1945	June 30, 1945
Investments:			
Treasury bonds:			
2½% of 1952-54.....	\$1,700.00		\$1,700.00
2½% of 1955-60.....	14,548.54		14,548.54
2½% of 1967-72 (dated Oct. 20, 1941).....	1,000.00		1,000.00
2½% of 1963-68.....	1,000.00		1,000.00
Total investments.....	18,248.54		18,248.54
Unexpended balances:			
To credit of disbursing officers.....			
On books of the Division of Bookkeeping and Warrants.....	1,361.87	\$2,112.76	3,474.63
Total assets.....	19,610.41	2,112.76	21,723.17

<sup>1</sup> Par value \$14,200.TABLE 83.—*National service life insurance fund, June 30, 1945*

On basis of daily Treasury statements, see p. 437. This trust fund was established pursuant to Title VI of Public No. 801, approved Oct. 8, 1940 (54 Stat. 1012). For further details see annual report of the Secretary for 1941, p. 143]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase, fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Premiums and other receipts.....	\$1,110,208,037.00	\$954,147,778.13	\$2,064,355,815.13
Interest and profits on investments.....	27,606,949.98	56,746,736.32	84,353,686.30
Transfers from General Fund <sup>1</sup> .....	132,750,368.97	2 1,116,524,936.77	1,249,275,305.74
Total receipts.....	1,270,565,355.95	2,127,419,451.22	3,397,984,807.17
Expenditures:			
Benefit payments and refunds.....	38,268,115.97	128,161,422.05	166,429,538.02
Balance.....	1,232,297,239.98	1,999,258,029.17	3,231,555,269.15

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Investments:			
3% special Treasury notes, national service life insurance fund series, maturing:			
June 30, 1945.....	\$2,800,000.00	—\$2,800,000.00	
June 30, 1946.....	35,440,000.00		\$35,440,000.00
June 30, 1947.....	313,485,000.00		313,485,000.00
June 30, 1948.....	820,700,000.00		820,700,000.00
June 30, 1949.....	41,000,000.00	1,860,000,000.00	1,901,000,000.00
June 30, 1950.....		116,500,000.00	116,500,000.00
Total investments.....	1,213,425,000.00	1,973,700,000.00	3,187,125,000.00
Unexpended balances:			
To credit of disbursing officers.....	18,872,239.98	25,558,029.17	44,430,269.15
On books of the Division of Bookkeeping and Warrants.....			
Total assets.....	1,232,297,239.98	1,999,258,029.17	3,231,555,269.15

<sup>1</sup> There has been appropriated through June 30, 1945, the amount of \$1,697,700,000 available to the Veterans' Administration for transfer, in accordance with the provisions of the National Service Life Insurance Act of 1940.

<sup>2</sup> Daily Treasury statement includes adjustment of \$251.34 applicable to fiscal year 1944.



TABLE 84.—*Pershing Hall Memorial fund, June 30, 1945*

[This special fund was established in accordance with the provisions of the act of June 28, 1935 (49 Stat. 426). For further details see annual report of the Secretary for 1941, p. 155]

## I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1944	Increase or de- crease (—), fiscal year 1945	Cumulative through June 30, 1945
Receipts:			
Appropriations.....	\$482,032.92		\$482,032.92
Interest and profits on investments.....	42,007.47	\$5,042.72	47,050.19
Total receipts.....	524,040.39	5,042.72	529,083.11
Expenditures:			
On account of current claims and expenses.....	288,629.70		288,629.70
On account of National Treasurer, American Legion.....	23,784.75	20,170.88	43,955.63
Total expenditures.....	312,414.45	20,170.88	332,585.33
Balance.....	211,625.94	-15,128.16	196,497.78

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase or decrease (—), fiscal year 1945	June 30, 1945
Investments:			
2½% Treasury bonds of 1951-54 (par value \$191,300).....	\$192,826.34	<sup>1</sup> - \$218.04	\$192,608.30
Unexpended balances:			
To credit of disbursing officers.....			
On books of the Division of Bookkeeping and Warrants.....	18,799.60	-14,910.12	3,889.48
Total assets.....	211,625.94	-15,128.16	196,497.78

<sup>1</sup> Represents amortization of premium on bonds, in order to adjust fund earnings payable to American Legion, Inc.

TABLE 85.—*United States Government life insurance fund—Investments, June 30, 1945*

[This trust fund was established in accordance with the provisions of the act of June 7, 1924 (43 Stat. 607). For further details see annual report of the Secretary for 1941, p. 142]

	June 30, 1944	Increase, or decrease (—), fiscal year 1945	June 30, 1945	
Investments:				
Government securities:				
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
3¾% of 1946-56.....	\$2,384,625.00		\$2,200,000.00	\$2,384,625.00
4¼% of 1947-52.....	42,234,926.78		40,772,000.00	42,234,926.78
2¾% of 1948-51.....	5,315,000.01		5,300,000.00	5,315,000.01
2½% of 1950-52.....	24,710,950.54		24,600,000.00	24,710,950.54
2¾% of 1951-54.....	17,979,950.02		17,745,000.00	17,979,950.02
3% of 1951-55.....	6,051,109.38		5,900,000.00	6,051,109.38
2½% of 1952-54.....	3,000,000.00		3,000,000.00	3,000,000.00
2¼% of 1954-56.....	20,000,000.00		20,000,000.00	20,000,000.00
2½% of 1955-60.....	124,639,945.36		122,559,250.00	124,639,945.36
2½% of 1956-59.....	37,173,874.80		36,824,300.00	37,173,874.80
2½% of 1958-63.....	9,017,525.05		8,840,000.00	9,017,525.05
2¾% of 1960-65.....	26,151,381.34		25,078,000.00	26,151,381.34
2½% of 1962-67.....	25,000,000.00		25,000,000.00	25,000,000.00
2½% of 1963-68.....	3,100,000.00		3,100,000.00	3,100,000.00
2½% of 1964-69 (dated Apr. 15, 1943).....	30,800,000.00		30,800,000.00	30,800,000.00
2½% of 1964-69 (dated Sept. 15, 1943).....	52,000,000.00		52,000,000.00	52,000,000.00
2½% of 1965-70.....	86,581,000.00		86,581,000.00	86,581,000.00
2½% of 1967-72 (dated Oct. 21, 1941).....	41,774,373.28		41,735,450.00	41,774,373.28

TABLE 85.—*United States Government life insurance fund—Investments, June 30, 1945—Continued*

	June 30, 1944	Increase, or decrease (—) fiscal year 1945	June 30, 1945	
Investments—Continued.				
Government securities—Continued.				
Special adjusted service bonds, 4½% Government life insurance fund series, 1946	\$500,157,956.40	-----	\$500,157,956.40	\$500,157,956.40
Special Treasury notes, 2% Government life insurance fund series, maturing June 30:				
1948	1,400,000.00	-----	1,400,000.00	1,400,000.00
1949	500,000.00	\$500,000.00	1,000,000.00	1,000,000.00
Special Treasury certificates of indebtedness, 3½% maturing June 30, 1946	-----	85,992,000.00	85,992,000.00	85,992,000.00
Total Government securities	1,059,972,617.96	86,492,000.00	1,140,584,956.40	1,146,464,617.96
Other securities:				
3% consolidated Federal farm loan bonds of:				
1945-55	10,074,400.00	—10,074,400.00	-----	-----
1946-56	3,591,000.00	—3,591,000.00	-----	-----
Total other securities	13,665,400.00	—13,665,400.00	1,140,584,956.40	1,146,464,617.96
Total investments	1,073,638,017.96	72,826,600.00	1,140,584,956.40	1,146,464,617.96
Loans:				
Policy loans outstanding <sup>1</sup>	127,806,183.62	—9,257,818.64	-----	118,548,364.98
Adjusted service certificate loans outstanding <sup>1</sup>	3,775,010.39	—3,775,010.39	-----	-----
Total outstanding loans	131,581,194.01	—13,032,829.03	-----	118,548,364.98
Total investments in fund	1,205,219,211.97	59,793,770.97	-----	1,265,012,982.94

<sup>1</sup> Includes interest accrued to anniversary dates of loans.TABLE 86.—*United States Naval Academy general gift fund.*

[This trust fund was established in accordance with the act of Mar. 31, 1944 (58 Stat. 135)]

## I. RECEIPTS

Receipts	June 30, 1944	Increase, fiscal year 1945	June 30, 1945
Bequest of Dudley F. Wolfe	\$85,000.00	\$200.00	\$85,200.00
Total receipts	85,000.00	200.00	85,200.00

## II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1944	Increase, fiscal year 1945	June 30, 1945
Investments:			
Treasury bonds, 2½% of 1965-70	\$85,000.00	-----	\$85,000.00
Total investments	85,000.00	-----	85,000.00
Unexpended balance:			
On books of the Division of Bookkeeping and Warrants	-----	\$200.00	200.00
Total assets	85,000.00	200.00	85,200.00

## GOVERNMENT CORPORATIONS AND CERTAIN AGENCIES

TABLE 87.—*Statement of assets and liabilities of Government corporations and certain agencies*

[In thousands of dollars. On basis of reports received from the corporations and agencies Negative figures are shown in italics]

## PART I. ASSETS, LIABILITIES, AND CAPITAL OF CORPORATIONS OF THE UNITED STATES, JUNE 30, 1945

Account	Executive Office of the President									
	Office for Emergency Management									
	Office of Inter-American Affairs					Foreign Economic Administration				
	Institute of Inter-American Affairs	Institute of Inter-American Transportation	Inter-American Educational Foundation, Inc.	Inter-American Navigation Corporation	Prencinradio, Inc.	Export-Import Bank of Washington	Petroleum Reserves Corporation	Rubber Development Corporation	U. S. Commercial Company	
<b>Total</b>										
<b>Assets</b>										
Cash: <sup>1</sup>										
On hand and in banks	88,571				85	267		2,484	1,578	
With U. S. Treasury	355,710			331	1,020	144	16		50	
Deposits with other Government agencies	350,716	2,840	1,930			69,050				
Loans receivable:										
Government agencies	8,525,219									
Others	4,602,963									
Total loans receivable (net)	13,128,182				14	214,265				
Accounts and notes receivable, less reserves	1,677,859				14	214,265				
Accrued assets, less reserves	252,576			17	129	50	6	39,685	317,026	
Advances to contractors and agents	266,762				234	2,183		48	24,415	
Commodities, supplies, and materials	2,452,699							11,447	322,351	
Investments:										
Public debt obligations of the United States	1,582,994									
Securities of Government agencies	11,335							3,001		
Other securities, less reserves	369,229									
Total investments (net)	1,963,559							3,001		

Footnotes on p. 657.





[illegible]

Footnotes on p. 657.

TABLE 87.—Statement of assets and liabilities of Government corporations and certain agencies—Continued

[In thousands of dollars. Negative figures are shown in italics]

## PART 1 ASSETS, LIABILITIES, AND CAPITAL OF CORPORATIONS OF THE UNITED STATES, JUNE 30, 1945—Continued

Account	Department of Agriculture							Department of Commerce	Department of Interior		
	Farm Credit Administration					Commodity Credit Corporation	Federal Crop Insurance Corporation			Federal Farm Mortgage Corporation	Federal Surplus Commodities Corporation
	Banks for co-operators	Federal intermediate credit banks	Federal land banks <sup>a</sup>	Production credit corporations	Regional Agricultural Credit Corporation of Washington, D. C.						
<b>ASSETS</b>											
Cash:											
On hand and in banks	9,310	11,443	24,305	651	(*)	2,676	69	1,024	177		
With U. S. Treasury	26,792	26	20,380	2	7,925	29,192	10,236		30		
Deposits with other Government agencies						1,476					
Loans receivable:											
Government agencies		20,875				36,000					
Others, less reserves	134,672	294,955	\$ 1,062,456		6,651	34,515	\$ 260,151	331			
Total loans receivable (net)	134,672	315,830	1,062,456		6,651	70,515	260,151	331			
Accounts and notes receivable, less reserves		203	3,096	8	(*)	440,388	1,764	634	162		
Accrued assets, less reserves	1,270	1,990	13,904	233		14,720	5,044	22			
Advances to contractors and agents											
Commodities, supplies, and materials						1,332,984		319	723		
Investments:											
Public debt obligations of the United States	43,297	36,511	160,817	64,233	326			6,650			
Securities of Government agencies			1,000	55,700							
Other securities, less reserves	21,979										
Total investments (net)	65,276	36,511	161,817	119,934	326			6,650			

Land, structures, and equipment, less reserves for depreciation.....	54	5,631	40	4,139	127	14,820	278
Acquired security or collateral, less reserves.....	5	2,884	41	254	1,832	254	20
Deferred charges.....	149	901	66	7,388	48	90	
Undistributed charges.....	243						
Interagency proprietary interests.....	22	294	94	28	5	4	
Other assets.....							
Total assets.....	237,799	366,263	121,028	15,008	279,149	2,744	1,390
<b>LIABILITIES</b>							
Accounts payable <sup>1</sup> .....	4	433	4		1,366	39	103
Accrued liabilities.....	101	956	35		32	11	56
Trust and deposit liabilities.....	38	291	6	1,077	6,879	97	(*)
Bonds, debentures, and notes payable: U. S. Treasury.....							
Other Government agencies.....	20,875	1,000			108,000		209
Others <sup>4</sup> .....		271,975			7,880		
Total bonds, debentures, and notes payable.....	20,875	272,975			115,830		209
Deferred credits.....							13
Undistributed credits.....	97	47			368	11	
Other liabilities (including liability reserves).....		11			1	308	
Total liabilities.....	21,115	275,054	11	1,135	124,444	71	382
<b>CAPITAL</b>							
United States owned:							(*)
Capital stock.....	178,500	60,000	108,300	100,000	40,000	12,000	
Paid-in surplus.....		117,866		400,715		10,461	
Expended appropriations.....		69,774			12,32,444		888
Earned surplus (or deficit).....	31,684	31,199	12,716	7,449	54,704	2,673	120
Total United States owned.....	210,184	91,199	121,016	13,873	154,704	22,996	1,009
Privately owned:							
Capital stock.....	13,520	71,029					
Earned surplus (or deficit).....	980	153,168					
Total privately owned.....	6,500	224,197					
Total capital.....	216,683	91,199	121,016	13,873	154,704	22,996	1,009
Total liabilities and capital.....	237,799	366,263	121,028	15,008	279,149	24,143	1,390

Footnotes on p. 657.





Account	Department of Justice	War Department	Federal Loan Agency								
			Reconstruction Finance Corporation and certain affiliates								
	Federal Prison Industries, Inc.	United States Spruce Production Corporation	Reconstruction Finance Corporation	Defense Plant Corporation	Defense Supplies Corporation	Disaster Loan Corporation	Federal National Mortgage Association	Metals Reserve Company	The RFC Mortgage Company	Rubber Reserve Company	War Damage Corporation
Cash:	185	35	1,734	2,841	215	1		3,466		4,137	
On hand and in banks.....	13,686		23,433	6,017	11,051	17,317	4,687	9,037	1,094	209	
Deposits with other Government agencies.....											227,559
Loans receivable:											
Government agencies.....			8,468,344		66,348	1,415	10,038		57,667		
Others, less reserves.....			1,034,063								
Total loans receivable (net).....			9,502,407		66,348	1,415	10,038		57,667		
Accounts and notes receivable, less reserves.....											15
Accrued assets, less reserves.....	1,565	154	15,969	61,748	307,706	35	15	338,189	34	124,007	1,125
Advances to contractors and agents.....		1	200,475	107,294	966	28	77		425	4,247	
Commodities, supplies, and materials.....	3,628			40,345	211,843			400,701		114,727	
Investments:											
Public debt obligations of the United States.....		114	75,052								
Securities of Government agencies.....			4,300				569	1,099	5,467		
Other securities, less reserves.....			261,171								
Total investments (net).....		114	340,523				569	1,099	5,467		
Land, structures, and equipment, less reserves for depreciation.....											
Footnotes on p. 657.	4,081	2	1,551	6,763,250	1,009			4,445	7,108	262	

TABLE 87.—Statement of assets and liabilities of Government corporations and certain agencies—Continued

[In thousands of dollars. Negative figures are shown in italics]

## PART I. ASSETS, LIABILITIES, AND CAPITAL OF CORPORATIONS OF THE UNITED STATES, JUNE 30, 1945—Continued

Account	Department of Justice	War Department	Federal Loan Agency								
			Reconstruction Finance Corporation and certain affiliates								
	Federal Prison Industries, Inc.	United States Spruce Production Corporation	Reconstruction Finance Corporation	Defense Plant Corporation <sup>14</sup>	Defense Supplies Corporation <sup>14</sup>	Disaster Loan Corporation <sup>14</sup>	Federal National Mortgage Association	Metals Reserve Company <sup>14</sup>	The RFC Mortgage Company	Rubber Reserve Company <sup>14</sup>	War Damage Corporation
ASSETS—Continued											
Acquired security or collateral, less reserves.....			29,994	13,893	8,562	50	9	12,217	3,460		
Deferred charges.....	122		43	15,948	33,760		(*)	60,623	675		
Undistributed charges.....			19,700						(*)	65,114	
Interagency proprietary interests.....			360,510	37,174	16,287						
Other assets.....			50								
Total assets.....	23,268	305	10,496,388	7,048,509	782,067	18,853	15,395	829,777	75,929	313,303	228,700
LIABILITIES											
Accounts payable <sup>3</sup> .....	924		163	16,988	242,730		43	261,928	120	38,493	33
Accrued liabilities.....		25	45,853	83,341	46,648		10	28,789	96	13,316	
Trust and deposit liabilities.....			441,475	1,776,484	136,144	36	230	17,310	1,426	20,103	
Bonds, debentures, and notes payable: U. S. Treasury..... Other Government agencies..... Others <sup>4</sup> .....			9,019,947	5,083,351	1,591,996			660,662	44,745	294,690	
			19								
Total bonds, debentures, and notes payable.....			9,019,966	5,083,351	1,591,996					294,690	
Deferred credits.....								660,662	44,745		
Undistributed credits.....			4,418	167,818	140	8	2	8,881	704		228,023
Other liabilities (including liability reserves)			74,810	15,691	124,872	14	23	155,068	1,259	17,854	15
	1		13,125,006	47,064				3,538		228,481	
Total liabilities.....	925	25	9,711,691	7,190,737	2,142,530	58	308	1,136,176	48,350	612,937	228,071

CAPITAL										
United States owned:										
Capital stock.....	100	325,000	5,000	5,000	24,000	10,000	5,000	25,000	5,000	1,000
Paid-in surplus.....	4,775			1,696		1,000	4,000			
Expended appropriations.....				9,155						
Earned surplus (or deficit).....	17,568	459,697	147,229	1,876,314	5,204	4,087	316,399	2,579	304,701	372
Total United States owned.....	22,343	784,697	142,229	1,890,463	18,796	15,087	366,399	27,579	299,634	628
Privately owned:										
Capital stock.....										
Earned surplus (or deficit).....										
Total privately owned.....										
Total capital.....	22,343	784,697	142,229	1,890,463	18,796	15,087	366,399	27,579	299,634	628
Total liabilities and capital.....	23,268	10,496,388	7,048,509	782,067	18,853	15,395	829,777	75,929	313,303	228,700
Contingent liabilities:										
Guaranteed loans.....										
Other.....				2,906					200,367	
ANALYSIS OF INVESTMENT OF UNITED STATES										
Paid-in capital—United States owned.....	4,775	325,000	5,000	15,852	24,000	11,000	9,000	25,000	5,067	1,000
Treasury loans to Government corporations.....		9,019,947								
Total investment of United States.....	4,775	9,344,947	5,000	15,852	24,000	11,000	9,000	25,000	5,067	1,000
Earned surplus (or deficit)—United States share.....	17,568	459,697	147,229	1,876,314	5,204	4,087	315,399	2,579	304,701	372
Book value of United States interest, including interagency items.....	22,343	9,804,644	142,229	1,890,463	18,796	15,087	366,399	27,579	299,634	628
Interagency items—net, amounts due to (or from):										
Government corporations.....		8,927,234	5,153,522	1,704,164	17,291	4,644	583,540	43,833	303,645	228,651
Other Government agencies, excluding Treasury loans to Government corporations.....	4									
Total.....	1,389	224,800	1,747,719	28,158		592	7,592	5,665	77,200	
Book value of United States interest, after exclusion of interagency items.....	20,958	1,252,610	6,759,012	315,544	1,505	9,851	284,733	65,847	73,249	228,023

Footnotes on p. 657.

TABLE 87.—Statement of assets and liabilities of Government corporations and certain agencies—Continued

[In thousands of dollars. Negative figures are shown in italics]

## PART I. ASSETS, LIABILITIES, AND CAPITAL OF CORPORATIONS OF THE UNITED STATES, JUNE 30, 1945—Continued

Account	National Housing Agency								Panama Railroad Company	Smaller War Plants Corporation	Tennessee Valley Associated Cooperatives, Inc.	Tennessee Valley Authority
	Federal Deposit Insurance Corporation	Federal Home Loan Bank Administration				Federal Public Housing Authority and affiliate						
		Federal home loan banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation	United States Housing Corporation	Federal Public Housing Authority <sup>16</sup>	Defense Homes Corporation					
ASSETS												
Cash: <sup>1</sup>												
On hand and in banks.....	852	11,948		747		67	570					
With U. S. Treasury.....	9,923	5,444	1,644	43,405	386	21,257	346	7,672	(*)	31		
Deposits with other Government agencies.....						2,219	999		117,705			1,001
Loans receivable:												
Government agencies.....												
Others, less reserves.....	9,652	131,666		9,951,624		17,289,649	919		38,878	234		2,800
Total loans receivable (net).....	9,652	131,666		951,624		289,649	919		38,878	234		2,800
Accounts and notes receivable, less reserves.....												
Accrued assets, less reserves.....	430	204	1,419	156		2,670	28	1,540	10,366			6,843
Advances to contractors and agents.....	2,514	806	163	2,546		3,725	22	61	209			7
Commodities, supplies, and materials.....	69						33	6,696				9
												6,833
Investments:												
Public debt obligations of the United States.....	835,576	159,762	155,483	15,000		7,953		22,219				
Securities of Government agencies.....						(*)		11		34		
Other securities, less reserves.....				26,233								
Total investments (net).....	835,576	159,762	155,483	41,233		7,953		22,230		34		
Land, structures, and equipment, less reserves for depreciation.....	(*)	(*)		2,509		219,151	67,161					
Acquired security or collateral, less reserves.....	11,095		1,554	4,612				30,076	15,054			719,086



	7		7		308	197	15		2	7
Deferred charges										
Undistributed charges						1				
Interagency proprietary interests				719						
Other assets				100,000			44			6
Total assets										
	870,111	309,838	160,262	1,146,838	386	70,276	68,334	182,213	300	736,590
<b>LIABILITIES</b>										
Accounts payable <sup>1</sup>	462	772	14	894		122	1,690	1,214		4,287
Accrued liabilities		249	35	322		598	290			4,271
Trust and deposit liabilities	792	45,398	8	23,552		56		26		605
Bonds, debentures, and notes payable:										
U. S. Treasury				1,009,982						56,773
Other Government agencies						56,934				4,300
Others <sup>4</sup>		50,005		16,258		8				
Total bonds, debentures, and notes payable		50,005								
				1,026,240		56,934				61,073
Deferred credits	338		2,662	1		60				355
Undistributed credits			( <sup>5</sup> )	1,173			6,083	1,371		112
Other liabilities (including liability reserves)	579,220		57,544			537	350	414		200
Total liabilities	580,812	96,423	60,262	1,052,182		58,307	8,412	3,024		70,902
<b>CAPITAL</b>										
United States owned:										
Capital stock	150,000	124,510	100,000	200,000	66,500	10,000	7,000	200,000	1	37,689
Paid-in surplus						114,831			299	638,457
Expended appropriations					32,903				( <sup>6</sup> )	16,458
Earned surplus (or deficit)	( <sup>13</sup> )		( <sup>15</sup> )	105,325	33,911	1,969	52,922	20,811		
Total United States owned	150,000	124,510	100,000	94,675	386	11,969	59,922	179,189	300	665,688
Privately owned:										
Capital stock	139,300	69,203								
Earned surplus (or deficit)	( <sup>15</sup> )	19,703								
Total privately owned	139,300	88,905								
Total capital	289,300	213,415	100,000	94,675	386	11,969	59,922	179,189	300	665,688
Total liabilities and capital	870,111	309,838	160,262	1,146,838	386	70,276	68,334	182,213	300	736,590
Contingent liabilities:										
Guaranteed loans										
Other								39,018		

Footnotes on p. 657.

TABLE 87.—*Statement of assets and liabilities of Government corporations and certain agencies—Continued*

[In thousands of dollars. Negative figures are shown in italics]

## PART I. ASSETS, LIABILITIES, AND CAPITAL OF CORPORATIONS OF THE UNITED STATES, JUNE 30, 1945—Continued

Account	Federal Deposit Insurance Corporation	National Housing Agency						Panama Railroad Company	Smaller War Plants Corporation	Tennessee Valley Associated Cooperatives, Inc.	Tennessee Valley Authority
		Federal Home Loan Bank Administration			Federal Public Housing Authority and affiliate						
		Federal home loan banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation	United States Housing Corporation	Federal Public Housing Authority <sup>16</sup>	Defense Homes Corporation				
ANALYSIS OF INVESTMENT OF UNITED STATES	150,000	124,510	100,000	200,000	34,297	185,156	10,000	7,000	200,000	300	676,146
				1,009,982		383,000					56,773
	150,000	124,510	100,000	1,209,982	34,297	568,156	10,000	7,000	200,000	300	732,919
				105,325	83,911	30,284	1,969	52,922	20,811	(*)	10,458
Book value of United States interest, including interagency items.....	150,000	124,510	100,000	1,104,657	386	537,871	11,969	59,922	179,189	300	722,460
Interagency items—net, amounts due to (or from):		478	3	100,044			56,274		6,765		3,957
Government corporations.....											
Other Government agencies, excluding Treasury loans to Government corporations.....	113	1	25	66		2,251	1	676	4,425		2,436
Book value of United States interest, after exclusion of interagency items.....	149,887	124,989	100,028	1,004,679	386	535,621	68,244	59,246	168,998	300	723,982

NOTE.—The reports from the corporations are revised by the Treasury Department to adjust for certain interagency items. Figures in this table do not agree in some instances with those appearing in the statement published in the daily Treasury statement of Aug. 17, 1945. This is because reports from some corporations as of June 30, 1945, were not received in time for inclusion in the daily Treasury statement necessitating the use of prior months' figures for such corporations.

\* Less than \$500.

<sup>1</sup> Excludes unexpended balances of appropriated funds.

<sup>2</sup> Includes \$79,180,902.77 loans made by commercial banks on behalf of the Export-Import Bank under agency agreements.

<sup>3</sup> Includes matured interest in amount of \$1,140,403.56, for which cash has been deposited with the Treasurer of the United States, as follows: Commodity Credit Corporation, \$539.38; Federal Farm Mortgage Corporation, \$407,437.83; Federal Public Housing Authority, \$226.85; Home Owners' Loan Corporation, \$741,072.75; and Reconstruction Finance Corporation, \$126.75.

<sup>4</sup> Excludes obligations reacquired and held by the issuing organizations. Includes matured obligations in the amount of \$24,066,525 for which cash has been deposited with the Treasurer of the United States as follows: Commodity Credit Corporation, \$82,000; Federal Farm Mortgage Corporation, \$7,829,700; Federal Public Housing Authority, \$8,000; Home Owners' Loan Corporation, \$16,127,625 (excluding \$200 held pending cancellation); and Reconstruction Finance Corporation, \$19,000.

<sup>5</sup> Represents valuation reserves which are not apportioned to applicable assets.

<sup>6</sup> Includes the assets and liabilities of the Federal land banks of Houston, Tex.; Louis-

ville, Ky.; Springfield, Mass.; St. Louis, Mo.; and Spokane, Wash., which have retired the capital stock and paid-in surplus previously held by the Federal Government.

<sup>7</sup> Includes Warrior River Terminal Co., Inc., a wholly owned subsidiary.

<sup>8</sup> Includes mortgage loans in process of foreclosure.

<sup>9</sup> The entire reserve for losses is included in this classification for report purposes only, as distribution cannot be effected to other similar assets to which it applies.

<sup>10</sup> Includes \$427,840,480.45 guaranteed obligations arising from drafts and invoices paid by commercial banks.

<sup>11</sup> Represents advances from Reconstruction Finance Corporation for the payment of operating expenses.

<sup>12</sup> Includes administrative expense costs advanced from Federal funds.

<sup>13</sup> Includes \$20,200 deposits to "Guaranty fund."

<sup>14</sup> Effective July 1, 1945, pursuant to Public Law 109, approved June 30, 1945, these corporations are dissolved and merged within the Reconstruction Finance Corporation. <sup>15</sup> Includes \$125,000,000 valuation reserves which are not apportioned to applicable assets.

<sup>16</sup> Figures represent activities under U. S. Housing Act, as amended. War housing and other operations of the Authority are reflected under "Other Government Agencies—Other."

<sup>17</sup> Loan commitments amount to \$403,083,519 against which advances of \$288,098,943.94 have been made leaving commitments to purchase loans of \$114,993,575.06.

<sup>18</sup> For purposes of this report the entire amount of earned surplus of this Corporation is reported as a liability reserve to cover possible insurance losses until experience shall have been gained which will permit the determination of adequate reserves.

TABLE 87.—Statement of assets and liabilities of Government corporations and certain agencies—Continued

[In thousands of dollars. Negative figures are shown in italics]

## PART II. ASSETS, LIABILITIES, AND PROPRIETARY INTEREST RELATING TO CERTAIN OTHER GOVERNMENT AGENCIES, JUNE 30, 1945

Account	Total	Executive Office of the President	Department of Agriculture			Department of the Interior <sup>2</sup>	Federal Works Agency <sup>3</sup>	National Housing Agency		United States Maritime Commission	Other <sup>4</sup>
		Office for Emergency Management—War Shipping Administration	Farm Credit Administration <sup>1</sup>	Farm Security Administration	Rural Electrification Administration			Federal Housing Administration			
ASSETS											
Cash: <sup>5</sup>											
On hand and in banks	55,227	45,451		9,774		3					
With U. S. Treasury	201,268	17,706	711	17,860	3,072	32	17	20,380	14,089		127,401
Loans receivable:											
Government agencies	209		23,245	354,401	376,946	209					
Others, less reserves	941,278										
Total loans receivable (net)	941,487		23,245	354,401	377,155	12,116	68,041	21,320	6,664		78,544
Accounts and notes receivable, less reserves	187,655	9,880	412	7,748	1	91	101	179	158,173		11,070
Accrued assets, less reserves	82,087			28,425	5,795	346	1	558	2,069		44,892
Advances to contractors and agents	17,707	3,285							13,790		632
Commodities, supplies, and materials	53,606	28,406		178				55	24,966		
Investments:											
Public debt obligations of the United States	96,502							96,502			
Securities of Government corporations held by Treasury <sup>6</sup>	12,168,702										
Other securities, less reserves	5,352					1		30	2,666		12,168,702
Total investments (net)	12,270,556					1		96,533	2,666		12,171,356
Land, structures, and equipment, less reserves for depreciation	12,292,920	7,273,292		34,591	228	13,689	90,263	558	3,296,662		1,583,637
Acquired security or collateral, less reserves	19,841			2,036		8		15,893			423
Deferred charges	555,006	394,650	1,482					36	125,055		54
Undistributed charges	562,518	79,470		7,269			46,906		428,466		406



Interagency proprietary interests.....	178,500	178,500	15,281	386,251	26,286	240,540	155,513	4,073,623	1,022
Other assets.....	18,258	1,955	477,563	1	126	6	7,301	4,068	
	27,436,636	7,854,094	183	1	3	17	988	(*)	20,473
		391,323	707	122			1,352	6,373	35
	423,479	13,296	4,044						48,898
	1,730	6							
	74,112								
Bonds, debentures, and notes payable:									
Government agencies.....	346,730		100,525	240,170			6,035		
Others.....	27,895						27,895		
	374,625		100,525	240,170			33,931		
Total bonds, debentures, and notes payable.....									
Deferred credits.....	15,403	15,374							
Undistributed credits.....	185,682	234	37						29
Other liabilities (including liability reserves).....	331,144	232,523						184,626	78
								73,679	24,942
Total liabilities.....	1,406,176	652,750	713	240,293	128	23	43,572	268,776	94,425
PROPRIETARY INTEREST									
Expended appropriations.....	34,867,968	712,884,446	882,734	153,112	82,316	2,095,664	83,047	84,129,473	13,856,004
Excess of income (or expense), cumulative.....	8,837,507	5,683,103	510,667	7,154	56,158	1,855,147	10,28,894	924,626	67,988
Total proprietary interest.....	26,030,461	7,201,344	372,067	145,958	26,158	240,517	111,941	3,804,847	13,923,991
Total liabilities and proprietary interest.....	27,436,636	7,854,094	477,563	386,251	26,286	240,540	155,513	4,073,623	14,018,416
Contingent liabilities:									
Guaranteed loans.....	1,168,662							9,345	1,159,316
Other.....	1,395							1,395	
ANALYSIS OF INVESTMENT OF UNITED STATES									
Paid-in capital—United States owned.....	34,867,968	712,884,446	882,734	153,112	82,316	2,095,664	83,047	84,129,473	13,856,004
Treasury loans to Government corporations (deduct).....	12,168,702								12,168,702
Net investment of United States.....	22,699,266	12,884,446	882,734	153,112	82,316	2,095,664	83,047	4,129,473	1,687,302
Excess of income (or expense) *.....	8,837,507	5,683,103	510,667	7,154	56,158	1,855,147	28,894	924,626	67,988
Book value of United States interest, including interagency items.....	13,861,759	7,201,344	372,067	145,958	26,158	240,517	111,941	3,804,847	1,755,290
Footnotes on p. 660.									

TABLE 87.—Statement of assets and liabilities of Government corporations and certain agencies—Continued

[In thousands of dollars. Negative figures are shown in italics]

PART II. ASSETS, LIABILITIES, AND PROPRIETARY INTEREST RELATING TO CERTAIN OTHER GOVERNMENT AGENCIES, JUNE 30, 1945—Con.

Account	Total	Department of Agriculture			Department of the Interior <sup>1</sup>	Federal Works Agency <sup>2</sup>	National Housing Agency		Other <sup>4</sup>
		Executive Office of the President	Farm Credit Administration <sup>1</sup>	Farm Security Administration	Rural Electrification Administration		Federal Housing Administration	United States Maritime Commission	
ANALYSIS OF INVESTMENT OF UNITED STATES—Con.									
Interagency items—net, amounts due to (or from):									
Agencies reporting, excluding Treasury loans to Government corporations.....	192,311	6,639	178,501	95,929	240,017	23	12	6,616	12
Other Government agencies and corporations.....		35,229				54	6,431	8,554	1,764
Book value of United States interest after exclusion of interagency items.....	14,054,070	7,243,211	25,136	467,996	386,005	26,158	118,360	3,789,697	1,757,066

NOTE.—The reports from the agencies are revised by the Treasury Department to adjust for certain interagency items. Figures in this table do not agree in some instances with those appearing in the statement published in the daily Treasury statement of Aug. 17, 1945. This is because reports from some agencies as of June 30, 1945, were not received in time for inclusion in the daily Treasury statement, necessitating the use of prior months' figures for such agencies and interagency items affecting agencies involved.

\* Less than \$500.

<sup>1</sup> Includes Agricultural Marketing Act revolving fund and emergency crop and feed loans. <sup>2</sup> Includes Indian loans, Puerto Rican Hurricane Relief Loan Section, and Puerto Rico Reconstruction Administration.

<sup>3</sup> Includes Public Works Administration and War Public Works, community facilities. <sup>4</sup> Includes: Navy Department, sale of surplus supplies (World War I), guaranteed loans (World War II); War Department, guaranteed loans (World War II); Federal Public Housing Authority, war housing and subsistence homesteads; Federal Security Agency loans to students; and Treasury Department, miscellaneous loans and certain other assets.

<sup>5</sup> Excludes unexpended balances of appropriated funds.

<sup>6</sup> Represents obligations of Government corporations as follows: Commodity Credit Corporation, \$1,591,000,000; Federal Farm Mortgage Corporation, \$108,000,000; Federal Public Housing Authority, \$383,000,000; Home Owners' Loan Corporation, \$1,009,982,000; Reconstruction Finance Corporation, \$9,019,947,123.79 and Tennessee Valley Authority, \$56,772,500.

<sup>7</sup> Includes the value of vessels and other expenses transferred from the U. S. Maritime Commission.

<sup>8</sup> Excludes the value of vessels and other expenses transferred to the War Shipping Administration for which no transfer of funds will be required, under the authority of Executive Order 9064 dated Feb. 7, 1942, and War Shipping Administrator's Order No. 7, dated Apr. 21, 1942.

<sup>9</sup> Represents excess of expenditures incurred pursuant to legislation for such activities as: construction and operation of merchant marine fleet in interest of the war effort; relief to farmers, loans and grants for rural rehabilitation and subsistence homesteads; relief and rehabilitation in Puerto Rico; loans, grants, and relief in construction of housing, public works, and community facilities; and others.

<sup>10</sup> Includes \$63,306,186, representing equity of mortgagors in earnings of group accounts of the mutual mortgage insurance fund.

## PART III. SUMMARY OF ASSETS, LIABILITIES, AND CAPITAL OF GOVERNMENT CORPORATIONS AND CERTAIN OTHER AGENCIES, JUNE 30, 1945

## 1. BALANCE SHEET

ASSETS		Total	Corpora- tions	Agencies	LIABILITIES		Total	Corpora- tions	Agencies
Cash.....	700,775	444,280		256,495	Accounts and other payables:	732,046		697,215	34,831
Deposits with other Government agencies.....	350,716	350,716			Interagency.....	1,099,520		709,142	390,378
Loans receivable:					Others.....				
Interagency.....	8,525,429	8,525,219		209	Trust and deposit liabilities:	2,749,847		2,689,339	60,508
Others, less reserves.....	5,544,241	4,602,963		941,278	Interagency.....	258,693		245,089	13,604
Accounts and other receivables:					Others.....	20,669,465		20,322,735	346,730
Interagency.....	1,570,161	1,499,112		71,049	Bonds, debentures, and notes payable:	1,664,831		1,636,936	27,895
Others, less reserves.....	989,867	753,626		236,241	Interagency.....	2,803,949		2,271,719	532,230
Investments:					Others.....				
Interagency.....	12,180,037	11,335		12,168,702	All other liabilities.....	29,978,352		28,572,176	1,406,176
Others, less reserves.....	2,054,078	1,952,224		101,854	Total liabilities.....				
Commodities, supplies, and materials.....	2,506,305	2,452,699		53,606	CAPITAL				
Land, structures, and equipment, less reserves.....	20,163,729	7,870,809		12,292,920	United States interests:	639,010		460,510	178,500
Interagency proprietary interests.....	639,010	460,510		178,500	Interagency.....	25,741,337		170,624	25,551,961
All other assets.....	1,593,252	457,470		1,135,782	Others.....				
Total assets.....	56,817,600	29,380,964		27,436,636	Total United States interest.....	26,380,347		349,886	26,030,461
					Private interests.....	458,901		458,901	
					Total capital.....	26,839,248		808,787	26,030,461
					Total liabilities and capital.....	56,817,600		29,380,964	27,436,636

## 2. ANALYSIS OF INVESTMENT OF UNITED STATES

		Total	Corpora- tions	Agencies			Total	Corpora- tions	Agencies
Paid-in capital.....	38,477,265	3,609,297		34,867,968	Interagency items—net amounts due to (or from):	310,745		460,510	119,765
Treasury loans to Government corporations.....		12,168,702		12,168,702	Government corporations.....	298,265		298,265	
Total investment of United States.....	38,477,265	15,777,998		22,699,266	Government agencies reporting.....	1,525,016		1,452,471	72,546
Earned surplus (or deficit) United States share.....	12,096,918	3,259,411		8,837,507	Government agencies not reporting.....				
Book value of United States interest, including interagency items.....	26,380,347	12,515,588		13,861,759	Total value of United States interest after exclusion of interagency items.....	27,206,353		13,212,284	14,054,070





Other sources.....	205,438		2	(*)	94	(*)		2,397	\$ 141,872
Total funds provided.....	36,754,093	14,069	2,502	1,801	35	49,477	130	188,662	1,046,852
APPLICATION OF FUNDS									
Repayment of borrowings:	114,134,505								
To U. S. Treasury.....	6,718,411								
To Government agencies.....	2,596,501								
To public.....								171,715	794,101
Total repayment of borrowings.....	23,449,418							171,715	794,101
Repayment of paid-in capital: *	121,862								
To U. S. Treasury.....	231								
To Government agencies.....	22,222								
To public.....									
Total repayment of paid-in capital.....	144,315								
Purchase of investments:	796,006								
Public debt obligations of United States.....	10,293								
Securities of Government agencies.....	28,612							1	
Other securities.....									
Total purchase of investments.....	834,911							1	
Loans made.....	9,220,621					33,682	14		
Acquisition and improvement of acquired security or collateral.....	22,469								
Acquisition and improvement of land, structures, and equipment.....	727,670	160	2	14	1	(*)	8	1,921	
Increase in working capital and deferred items.....	509,198		434	1,190	34	10,575	117	15,025	132,021
Funds applied to loss on operations *	1,702,421	13,909	2,065	598		5,220			\$ 120,730
Other applications.....	143,059								
Total funds applied.....	36,754,093	14,069	2,502	1,801	35	49,477	130	188,662	1,046,852
ADJUSTMENTS OF NET INCOME OR LOSS									
Net income or loss *	1,036,086	13,909	2,065	598	35	8,229	117	15,025	121,227
Depreciation and obsolescence.....	22,698					1			
Assets charged off.....	8,031					1			
Capital gains and losses ..	233								
Adjustments of valuation reserves.....	38,430								
Other adjustments.....	226,994	(*)			70	206			10,794
Funds provided by profit on operations.....	285,271				35	8,026	117	15,025	132,021
Funds applied to loss on operations.....	1,702,421	13,909	2,065	598			129		

Footnotes on p. 670.



Other sources.....	\$ 1	\$ 258	\$ 978	\$ 5	\$ 42	9, 103	73	74
Total funds provided.....	557, 622	1, 322, 211	923, 594	101, 988	57, 653	5, 087, 249	874	589
APPLICATION OF FUNDS								
Repayment of borrowings:								
To U. S. Treasury.....						2, 886, 000		
To Government agencies.....	79, 663	4, 750	171, 955			670, 638	10 779	130
To public.....	41, 270	413, 325	546, 429					
Total repayment of borrowings.....	120, 933	418, 075	718, 384			3, 562, 638	779	130
Repayment of paid-in capital:								
To U. S. Treasury.....	2, 000		67, 588	6, 700	44, 400			
To Government agencies.....	5, 867		15, 460					
To public.....								
Total repayment of paid-in capital.....	7, 867		83, 048	6, 700	44, 400			
Purchase of investments:								
Public debt obligations of United States.....	7, 396	30, 186	25, 979	94, 223	326			275
Securities of Government agencies.....	27, 585		5, 750	757				
Other securities.....								
Total purchase of investments.....	34, 981	30, 186	31, 730	94, 980	326			275
Loans made.....	379, 917	873, 644	82, 954		12, 793	752, 660		
Acquisition and improvement of acquired security or collateral.....	38	(*)	2, 239		134			
Acquisition and improvement of land, structures, and equipment.....			\$ 751			31		22
Increase in working capital and deferred items.....	13, 885		1, 154	106			96	291
Funds applied to loss on operations <sup>4</sup> .....			\$ 3, 334	161		3, 243 (*)		
Other applications.....		306		\$ 42				
Total funds applied.....	557, 622	1, 322, 211	923, 594	101, 988	57, 653	5, 087, 249	874	589
ADJUSTMENTS OF NET INCOME OR LOSS								
Net income or loss <sup>6</sup> .....	3, 293	1, 674	19, 616	4, 970	4, 232	754, 080	231	236
Depreciation and obsolescence.....	4	12	40	(*)	7	3, 791		702
Assets charged off.....	21		127	126	1, 600	623		11
Capital gains and losses <sup>7</sup> .....		713	2, 882	5, 114		589		
Adjustments of valuation reserves.....	391	55	2, 109	143	2, 874	22, 285		477
Other adjustments.....						3, 271		3
Funds provided by profit on operations.....	2, 925	914	14, 792		235	771, 951	231	467
Funds applied to loss on operations.....				161				

Footnotes on p. 670.

TABLE 88.—*Sources and application of funds of corporations and certain other agencies of the Government, fiscal year 1945—Continued*  
[In thousands of dollars. Negative figures are shown in italics]

## PART I. CORPORATIONS—Continued

	Department of Justice	War Department	Federal Loan Agency									
			Reconstruction Finance Corporation and certain affiliates									
			United States Prison Industries, Inc.	United States Spruce Production Corporation <sup>11</sup>	Reconstruction Finance Corporation	Defense Plant Corporation <sup>12</sup>	Defense Supplies Corporation <sup>12</sup>	Disaster Loan Corporation <sup>12</sup>	Federal National Mortgage Association	Metals Reserve Company <sup>12</sup>	The RFC Mortgage Company	Rubber Reserve Company <sup>12</sup>
SOURCES OF FUNDS												
	Borrowings:											
	From U. S. Treasury			10, 588, 947	866, 780	3, 681, 883		1, 074	694, 319	18, 224	820, 700	
	From Government agencies											
	From public											
	Total borrowings			10, 588, 947	866, 780	3, 681, 883		1, 074	694, 319	18, 224	820, 700	
	Capital and surplus subscriptions:											
	By U. S. Treasury											
	By Government agencies								4, 000			
	By public											
Total capital and surplus subscriptions									4, 000			
Appropriations <sup>1</sup>											67	
Sale or collection of investments:												
Public debt obligations of United States			729									
Securities of Government agencies			2, 000					79		19		
Other securities			55, 496									
Total sale or collection of investments			58, 225					79		19		
Repayments on loans												
Sale of acquired security or collateral			6, 352, 480		50, 421	1, 392	49, 614			83, 432		
Decrease in working capital and deferred items			14, 354			75	42			582		
Funds provided by profit on operations <sup>4</sup>	3, 154	10	69, 795	469, 225	219, 441		2, 129		105, 809	5, 416	239	19



Other sources.....	21	10	231	38,586	119	3	26	5,377	415	153	11
Total funds provided.....	3,175	10	17,084,032	1,374,592	3,951,864	1,471	52,964	809,505	110,375	821,159	30
APPLICATION OF FUNDS											
Repayment of borrowings:											
To U. S. Treasury.....			10,161,487	640,982	3,416,949		46,883	664,121	67,262	654,111	
To Government agencies.....			157								
To public.....											
Total repayment of borrowings.....			10,161,644	640,982	3,416,949		46,883	664,121	67,262	654,111	
Repayment of paid-in capital:											
To U. S. Treasury.....											
To Government agencies.....											
To public.....											
Total repayment of paid-in capital.....											
Purchase of investments:											
Public debt obligations of United States.....			4,011								
Securities of Government agencies.....			269				14		4,529		
Other securities.....											
Total purchase of investments.....			4,281				14		4,529		
Loans made.....			6,624,471		8,891	641	119		35,208		
Acquisition and improvement of acquired security or collateral.....			9,902			22	5		3,376		
Acquisition and improvement of land, structures and equipment.....	436		758	\$ 640,199	498			5,201	1	220	
Increase in working capital and deferred items.....	2,509	10	282,476	93,411	520,101	561	4,943			166,828	30
Funds applied to loss on operations.....	230				\$ 5,425	246	1,000				
Other applications.....											
Total funds applied.....	3,175	10	17,084,032	1,374,592	3,951,864	1,471	52,964	809,505	110,375	821,159	30
ADJUSTMENTS OF NET INCOME OR LOSS											
Net income or loss.....	2,891	10	59,485	93,761	520,101	1,736	2,131	140,228	808	229,820	
Depreciation and obsolescence.....	277		129					2,087	124		
Assets charged off.....			3,233			1,491					
Capital gains and losses.....				340				419	1,361		30
Adjustments of valuation reserves.....											
Other adjustments.....	15		6,948					1,962	5	230,059	
Funds provided by profit on operations.....	3,154		69,795				2,129		2,287	239	
Funds applied to loss on operations.....		10		38,411	520,101	246		140,183			30

Footnotes on p. 670.



Sale of acquired security or collateral. Decrease in working capital and deferred items	17,754	29,241	1,002	17,586	1,105	20,018	83	4,047				
Funds provided by profit on operations <sup>1</sup>	16,827	2,909	8,123	51,155	50	1,791	1,923	4,139				5
Other sources	101,504			30,408			1,047	783				20,482
Total funds provided	305,442	632,780	10,745	1,146,305	2,946	437,369	5,383	8,186	149,086		12	42,254
APPLICATION OF FUNDS												
Repayment of borrowings:												
To U. S. Treasury				324,018		398,000	3,010					2,000
To Government agencies				803,046		52						
To public		80,500										
Total repayment of borrowings		80,500		1,127,064		398,052	3,010					2,000
Repayment of paid-in capital:												
To U. S. Treasury		231			1,175							
To Government agencies		895										
To public												
Total repayment of paid-in capital		1,126			1,175							
Purchase of investments:												
Public debt obligations of United States	299,000	316,059	10,300			3,000		5,250				
Securities of Government agencies												
Other securities												
Total purchase of investments	299,000	316,059	10,300			3,000		5,250				
Loans made	2,366	232,948		18,991		1,359			116,465			
Acquisition and improvement of acquired security or collateral	4,076		2	226	3							
Acquisition and improvement of land, structures and equipment				24		30,811	2,372	70	8,690		12	35,450
Increase in working capital and deferred items			444			4,147			18,855			4,805
Funds applied to loss on operations <sup>1</sup>		2,147			1,768			2,867	5,075			
Other applications												
Total funds applied	305,442	632,780	10,745	1,146,305	2,946	437,369	5,383	8,186	149,086		12	42,254

Footnotes on p. 670.





TABLE 88.—*Sources and application of funds of corporations and certain other agencies of the Government, fiscal year 1945—Continued*

[In thousands of dollars. Negative figures are shown in italics]

## PART II. AGENCIES AND TOTAL

	Total agencies <sup>1</sup>	Executive Office of the President	Department of Agriculture			Department of the Interior <sup>3</sup>	Federal Works Agency <sup>4</sup>	National Housing Agency	United States Maritime Commission <sup>5</sup>	Other <sup>6</sup>	Total, corporations and agencies <sup>1</sup>	
		Office for Emergency Management	Farm Credit Administration <sup>2</sup>	Farm Security Administration	Rural Electrification Administration			Federal Housing Administration				
												War Shipping Administration
SOURCES OF FUNDS												
Borrowings:												
From U. S. Treasury.....											7 15,410,947	
From Government agencies.....	124,018			86,275	33,200			4,543			7,312,707	
From public.....	9,576							9,576			1,270,002	
Total borrowings.....	133,594			86,275	33,200			14,119			23,993,657	
Capital and surplus subscriptions:												
By U. S. Treasury.....											310,765	
By Government agencies.....											15,025	
By public.....											19,461	
Total capital and surplus subscriptions.....												
Appropriations <sup>7</sup> .....	5,505,694	3,676,352	6,494	160,774	11,162	143	120,444			1,542,312	345,251	
											5,536,246	

Footnotes on p. 673.

TABLE 88.—*Sources and application of funds of corporations and certain other agencies of the Government, fiscal year 1945—Continued*

[In thousands of dollars. Negative figures are shown in italics]

## PART II. AGENCIES AND TOTAL—Continued

	Total agencies <sup>1</sup>	Executive Office of the President	Department of Agriculture			Department of the Interior <sup>3</sup>	Federal Works Agency <sup>4</sup>	National Housing Agency	United States Maritime Commission <sup>5</sup>	Other <sup>6</sup>	Total, corporations and agencies <sup>7</sup>
		Office for Emergency Management  War Shipping Administration	Farm Credit Administration <sup>2</sup>	Farm Security Administration	Rural Electrification Administration			Federal Housing Administration			
SOURCES OF FUNDS—Continued											
Sale or collection of investments:											
Public debt obligations of United States.....	6,793							6,793			686,222
Securities of Government agencies.....	14,134,505							1		14,134,505	714,489,419
Other securities.....	2,073									2,072	111,984
Total sale or collection of investments.....	14,143,371									14,136,577	715,287,625
Repayments on loans.....	212,428										9,841,839
Sale of acquired security or collateral.....	31,531									35,871	100,388
Decrease in working capital and deferred items.....	106,046										1,290,842
Funds provided by profit on operations <sup>8</sup> .....	162,200									142,130	447,531
Other sources.....	142,513									123,817	347,951
Total funds provided.....	20,437,436								( <sup>9</sup> )	15,981,739	57,191,529
APPLICATION OF FUNDS											
Repayment of borrowings:											
To U. S. Treasury.....	175,753							98			714,134,505
To Government agencies.....	3,640							3,640			6,894,164
To public.....											2,600,141
Total repayment of borrowings.....	179,393							3,738			23,628,811

Repayment of paid-in capital: To U. S. Treasury.....	9,651	2				7,395	1,554		701	131,513
To Government agencies.....										231
To public.....										22,222
Total repayment of paid-in capital.....	9,651	2				7,395	1,554		701	153,966
Purchase of investments: Public debt obligations of United States.....	27,790									
Securities of Government agencies.....	15,586,947						27,790			15,586,947
Other securities.....	3						3			28,615
Total purchase of investments.....	15,614,741						27,793			15,586,947
Loans made: Acquisition and improvement of acquired security or collateral.....	178,568	17,511	92,678	39,936	1,048	2,761	10,128		14,506	9,399,189
Acquisition and improvement of land, structures and equipment.....	33,548	24	2,456				30,943		125	56,017
Increase in working capital and deferred items.....	2,081,606		8,166			59,865	28		155,221	2,809,276
Funds applied to loss on operations <sup>1</sup> .....	438,190	6	10,219			92,555	3,163		60,795	945,388
Other applications.....	1,549,413	8,025	181,652	288	129	1,442			422	3,251,834
	351,326			38	148				163,021	497,395
Total funds applied.....	20,437,436	25,567	455,936	55,153	1,325	104,018	77,346	(9)	15,981,739	57,191,529
ADJUSTMENTS OF NET INCOME OR LOSS										
Net income or loss <sup>10</sup> .....	1,981,787	4,747	25,271	323	687	92,555	19,214		158,938	3,018,423
Depreciation and obsolescence.....	104		1	35			69			22,802
Assets charged off.....	1,525		88		413				56	9,556
Capital gains and losses <sup>11</sup> .....	3,263	968	2,450				1,562		747	3,496
Adjustments of valuation reserves.....	2,896	5,313	9,324				1,115			55,684
Other adjustments.....	13,205	(*)	3,190		145				16,540	213,789
Funds provided by profit on operations.....										
Funds applied to loss on operations.....	162,260	400					19,730	(9)	142,130	447,531
	1,549,413		10,219	288	129	92,555		(9)	422	3,251,834

Note.—Figures are rounded to nearest thousand and will not necessarily add to totals.

\* Less than \$500.

<sup>1</sup> Excludes United States Maritime Commission and Puerto Rico Reconstruction Administration.

<sup>2</sup> Consists of Agricultural Marketing Act Revolving fund and emergency crop and feed loans.

<sup>3</sup> Consists of Indian loans, Puerto Rican Hurricane Relief Loan Section. Information not available for Puerto Rico Reconstruction Administration.

<sup>4</sup> Consists of Public Works Administration and War Public Works, community facilities.

<sup>5</sup> Information not available.

<sup>6</sup> Consists of Navy Department, sale of surplus supplies (World War D), and guaranteed

loans (World War D); War Department, guaranteed loans (World War D); Federal Public Housing Authority, War Housing and subsistence homesteads; Federal Security Agency, loans to students; and Treasury Department, miscellaneous loans and certain other assets.

<sup>7</sup> Included are exchanges of securities in the amount of \$11,287,947 thousand for the following corporations: Commodity Credit Corporation, \$1,591,000 thousand; Federal Farm Mortgage Corporation, \$108,000 thousand; Federal Public Housing Authority, \$383,000 thousand; and Reconstruction Finance Corporation, \$9,205,947 thousand.

<sup>8</sup> Represents net expenditures from appropriated funds.

<sup>9</sup> For additional information, see the adjustments of net income or loss below.

<sup>10</sup> Figures in italics indicate net loss.

<sup>11</sup> Figures in italics indicate capital gain.

## STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 89.—Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1945

Kind of money	Stock of money	Money held in the Treasury				Money outside of the Treasury				Population of continental United States (estimated)	
		Total	Amount held against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States Treasury notes (and notes of 1890)	Held for Federal Reserve Banks and agents	All other money	Total	Held by Federal Reserve Banks and agents	In circulation <sup>1</sup>		
									Amount		Per capita
Gold.....	\$20,212,973,114	\$20,212,973,114	\$18,106,600,084	\$156,039,431		\$1,950,333,599	\$2,867,528,389	\$52,083,889	\$0.37		
Gold certificates.....	<sup>4</sup> (18,106,600,084)	<sup>4</sup> (15,239,071,695)			<sup>4</sup> \$ (15,239,071,695)		127,107,885	1,930,341	.90		
Standard silver dollars.....	493,943,078	366,835,193	296,842,398			69,992,795					
Silver bullion.....	1,520,235,269	1,520,235,269	1,520,295,269								
Silver certificates.....	<sup>4</sup> (1,815,987,959)						1,815,987,959	165,298,614	11.82		
Treasury notes of 1890.....	<sup>4</sup> (1,149,708)						1,149,708	1,149,708	.01		
Subsidiary silver.....	825,798,486	24,082,779			24,082,779		801,715,707	788,283,012	5.65		
Minor coin.....	303,539,136	7,077,710			7,077,710		296,461,426	291,995,678	2.09		
United States notes.....	346,681,016	2,802,035			2,802,035		343,878,981	21,291,620	2.31		
Federal Reserve notes.....	23,650,974,895	66,360,232			66,360,232		717,155,305	22,867,459,358	163.81		
Federal Reserve Bank notes.....	533,979,318	1,168,740			1,168,740		532,810,578	5,809,600	3.77		
National bank notes.....	121,215,375	520,215			520,215		120,695,160	120,011,610	.86		
Total June 30, 1945.....	48,009,399,687	22,202,115,287	19,923,737,751	156,039,431	<sup>4</sup> (15,239,071,695)	\$2,122,338,105	730,491,950,456	3,745,511,973	191.59		
Comparative totals:								26,746,438,483	139,601,000		
June 30, 1944.....	44,805,301,042	23,173,692,581	20,878,640,857	156,039,431	16,194,111,195	2,139,012,293	26,316,138,123	3,811,796,584	182.96		
October 31, 1920.....	8,479,620,824	2,436,864,530	718,674,378	152,979,026	1,212,360,791	352,850,336	6,761,430,672	1,063,216,060	53.21		
March 31, 1917.....	5,396,596,677	2,952,020,313	2,681,691,072	152,979,026		117,350,216	5,136,267,436	4,172,945,914	40.23		
June 30 1914.....	3,797,825,099	1,845,569,804	1,507,178,879	150,000,000		188,390,925	3,459,434,174	3,459,434,174	34.93		
January 1, 1879.....	1,007,084,483	212,420,402	21,602,640	100,000,000		90,817,762	816,266,721	816,266,721	16.92		

<sup>1</sup> NOTE.—For a description of security held, see note 2, p. 676.  
<sup>2</sup> Revised.  
<sup>3</sup> The money in circulation includes any paper currency held outside the continental limits of the United States.

<sup>4</sup> Does not include gold other than that held by the Treasury.  
<sup>5</sup> Includes \$1,800,000,000 exchange stabilization fund and \$144,000,757 balance of increment resulting from reduction in weight of the gold dollar.

<sup>6</sup> These amounts are not included in the total, since the gold or silver held as security against silver and silver certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.

<sup>7</sup> This total includes credits with the Treasurer of the United States payable in gold certificates in (1) the gold certificate fund—Board of Governors, Federal Reserve System, in the amount of \$14,539,769,813, and (2) the redemption fund for Federal Reserve notes in the amount of \$699,301,882.

<sup>8</sup> Includes \$133,000,000 lawful money deposited as a reserve for Postal Savings deposits.

<sup>9</sup> The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in the Treasury to arrive at the total amount of money in the United States.



-TABLE 90.—*Stock of money, money in the Treasury, in the Federal Reserve Banks, and in circulation, June 30, 1913 through 1945*<sup>1</sup>

June 30—	Stock of money <sup>2</sup>	Money held in the Treasury				Money outside of the Treasury				Population of continental States (estimated)	
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against States notes (and Treasury notes of 1890)	Held by Federal Reserve Banks and agents	All other	Total	Held by Federal Reserve Banks and agents	In circulation		
									Amount <sup>3</sup>		Per capita
1913	\$3,777,021	\$1,834,112	\$1,475,788	\$150,000	-----	\$208,329	\$3,418,692	-----	\$3,418,692	97,337	
1914	3,797,825	1,845,570	1,507,179	150,000	-----	188,391	3,450,434	-----	3,450,434	99,027	
1915	4,050,730	1,967,665	1,619,429	152,977	-----	195,259	3,702,517	\$382,965	3,319,562	100,725	
1916	4,541,780	2,356,536	2,057,400	152,979	-----	146,147	4,242,603	593,345	3,649,258	102,431	
1917	5,678,774	2,859,390	2,063,301	152,979	\$256,295	116,731	4,882,769	816,365	4,066,404	104,145	
1918	6,906,237	2,976,251	1,407,694	152,979	1,205,082	210,496	5,337,681	855,984	4,481,697	105,869	
1919	7,988,413	2,907,812	1,006,673	152,979	1,416,086	432,074	5,687,275	1,013,636	4,676,638	106,136	
1920	8,138,406	2,379,664	704,638	152,979	1,184,276	337,771	6,483,470	1,015,881	5,467,589	106,422	
1921	8,174,528	2,921,089	919,643	152,979	1,537,857	310,610	6,173,082	1,262,089	4,910,992	108,445	
1922	8,276,077	3,515,983	1,000,768	152,979	2,108,887	233,139	5,761,065	1,297,893	4,463,172	109,893	
1923	8,702,788	3,521,846	1,150,168	152,979	2,285,170	6,031,111	6,031,111	1,207,836	4,823,275	111,693	
1924	8,846,542	4,248,438	1,628,133	152,979	2,260,891	206,429	6,226,243	1,376,935	4,849,307	113,727	
1925	8,299,382	4,176,381	2,059,709	153,621	1,752,744	210,217	6,182,799	1,367,951	4,815,208	115,378	
1926	8,428,971	4,210,358	2,139,770	154,189	1,717,348	199,050	6,358,384	1,473,118	4,885,266	117,136	
1927	8,667,282	4,159,056	2,096,205	155,421	1,712,003	195,427	6,604,431	1,731,310	4,851,321	118,628	
1928	8,118,091	3,735,650	1,886,761	156,039	1,387,650	195,199	6,379,202	1,582,576	4,796,626	120,013	
1929	8,538,796	3,759,836	1,854,373	156,039	1,562,426	217,049	6,603,283	1,856,986	4,746,297	121,455	
1930	8,306,564	4,021,937	1,978,448	156,039	1,796,239	91,211	6,263,075	1,741,087	4,521,988	123,091	
1931	9,079,624	4,227,735	2,196,103	156,039	1,775,690	98,902	7,047,992	2,226,059	4,821,983	124,113	
1932	9,004,505	3,493,122	1,979,137	156,039	1,235,737	122,209	7,490,520	2,795,349	5,695,171	124,974	
1933	10,078,417	3,707,692	1,711,721	156,039	1,771,486	158,446	7,992,446	2,271,682	5,720,764	125,770	
1934	13,694,381	8,408,392	5,453,713	156,039	4,099,055	2,798,640	6,679,455	1,305,985	5,373,470	126,626	
1935	15,113,033	9,997,362	7,131,431	156,039	4,532,590	2,709,891	6,714,514	1,147,422	5,567,093	127,521	
1936	17,402,483	11,851,635	9,355,224	156,039	4,304,027	2,340,372	6,602,055	3,360,854	5,241,200	128,429	
1937	19,376,690	13,085,480	10,240,964	156,039	4,630,913	2,288,477	9,901,261	3,454,205	6,447,056	129,257	
1938	20,096,865	14,535,627	12,233,068	156,039	4,782,938	2,148,570	9,964,467	3,503,576	6,460,891	130,215	
1939	23,754,736	17,862,671	15,298,262	156,039	4,10,708,118	2,407,369	10,483,210	3,436,467	7,046,743	131,171	
1940	28,457,960	19,651,067	16,651,067	156,039	4,14,938,895	2,029,829	11,333,196	3,485,695	7,847,501	131,950	
1941	32,774,611	24,575,186	22,300,887	156,039	4,17,506,167	2,119,039	12,893,346	3,380,914	9,512,432	133,213	
1942	35,840,908	24,783,526	22,596,352	156,039	4,17,750,403	2,081,135	15,903,331	3,520,465	12,382,866	134,778	
1943	40,888,266	24,466,764	22,194,035	156,039	4,17,408,945	2,111,690	21,191,591	3,770,331	17,421,260	136,485	
1944	44,805,301	23,173,693	20,878,641	156,039	4,16,194,111	2,139,012	26,316,342	3,811,797	22,504,545	138,097	
1945	48,009,400	22,202,115	19,923,738	156,039	4,15,239,072	2,122,338	30,491,950	3,745,512	26,746,438	139,601	

<sup>1</sup> The figures in this table differ from the monthly circulation statements for the following reasons: (a) Beginning June 30, 1922, the form of circulation statement was revised so as to include in the holdings of the Federal Reserve Banks and agents, and hence in the stock of money, gold bullion and foreign gold held by the Federal Reserve Banks and agents, and to include in the holdings of the Federal Reserve Banks and agents, all forms of money held by the Federal Reserve Banks and agents, whether as reserve against Federal Reserve notes or otherwise. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1922, p. 433. (b) The form of the circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from the stock of money, and hence from money in circulation; to include in the holdings of the Federal Reserve Banks and agents, and hence in the stock of money, gold held abroad for the account of the Federal Reserve Banks; and to include in all categories, minor coin (the bronze 1-cent piece and the nickel 5-cent piece). Beginning on Dec. 31, 1927, the circulation statement is dated for the end of the month instead of the beginning of the succeeding month, as was the practice theretofore, and figures on a revised basis for "money held in the Treasury" are used. For the sake of comparableness the figures in this table for earlier years have been revised to include these changes. For full explanation of this revision, see annual report for 1928, pp. 70-71, and for figures for years prior to 1913, pp. 550-551. Final revisions, minor in amount, are made in some figures of the June 30 circulation statements for use in these annual report tables.

<sup>2</sup> The composition of the stock of money is shown in the table on p. 676.

<sup>3</sup> The composition of the money in circulation is shown in the table on p. 677.

<sup>4</sup> Gold certificates not included in total money in the Treasury, since the gold held as security against them is included in the second column preceding.

TABLE 91.—*Stock of money, by kinds, at the end of each fiscal year from 1913 through 1945*<sup>1</sup>

[Dollars in thousands]

June 30—	Gold <sup>2</sup>	Silver bullion <sup>2</sup>	Standard silver dollars <sup>2</sup>	Subsidiary silver	Minor coin	United States notes <sup>2</sup>	Federal Reserve notes <sup>2</sup>	Federal Reserve Bank notes <sup>2</sup>	National bank notes <sup>2</sup>	Total <sup>3</sup>	Percentage of gold to total money
1913.....	\$1,870,762	---	\$568,272	\$175,196	\$56,951	\$346,681	---	---	\$759,158	\$3,777,021	49.53
1914.....	1,890,657	---	568,272	182,007	59,536	346,681	---	---	750,672	3,797,825	49.78
1915.....	1,985,539	---	568,272	185,430	61,327	346,681	---	---	819,274	4,050,783	49.02
1916.....	2,444,636	---	568,272	188,890	63,909	346,681	---	\$9,000	744,175	4,541,730	53.83
1917.....	3,220,242	---	568,270	198,275	69,688	346,681	---	---	715,420	5,678,774	56.71
1918.....	3,162,808	---	499,516	231,857	78,146	346,681	---	---	725,205	6,906,237	45.80
1919.....	3,113,300	---	308,145	242,870	82,909	346,681	---	---	719,237	7,688,433	40.49
1920.....	2,865,482	---	268,857	258,855	92,479	346,681	---	---	719,038	8,158,496	35.12
1921.....	3,274,730	---	288,788	271,314	98,592	346,681	---	---	743,290	8,158,496	40.08
1922.....	3,754,682	---	381,174	271,211	98,592	346,681	---	---	758,202	8,276,070	45.73
1923.....	4,049,554	---	491,587	294,186	98,056	346,681	---	---	747,410	8,702,788	46.53
1924.....	4,488,391	---	503,735	277,614	102,445	346,681	---	---	738,012	8,846,512	50.74
1925.....	4,300,352	---	522,061	288,472	104,004	346,681	---	---	773,366	8,299,352	52.54
1926.....	4,447,397	---	533,491	288,923	108,891	346,681	---	---	702,609	8,428,971	52.76
1927.....	4,587,298	---	537,944	295,590	113,295	346,681	---	---	704,146	8,667,282	52.93
1928.....	4,104,163	---	539,961	299,010	116,689	346,681	---	---	699,621	8,118,991	50.62
1929.....	4,324,351	---	539,961	304,187	120,640	346,681	---	---	704,294	8,538,796	50.64
1930.....	4,534,866	---	539,958	310,978	126,001	346,681	---	---	698,317	8,306,594	54.59
1931.....	4,955,921	---	540,908	308,619	126,887	346,681	---	---	697,004	8,079,624	54.58
1932.....	3,918,596	---	540,907	304,883	126,493	346,681	---	---	736,674	9,004,505	43.52
1933.....	4,317,554	---	540,907	298,634	126,746	346,681	---	---	970,601	10,078,417	42.84
1934.....	7,856,181	---	545,642	295,892	127,711	346,681	---	---	934,595	13,634,381	57.62
1935.....	10,608,417	---	547,080	331,716	133,040	346,681	---	---	769,096	15,113,035	60.32
1936.....	12,318,271	---	547,080	358,890	139,057	346,681	---	---	371,722	17,402,493	60.95
1937.....	12,982,954	---	547,079	373,461	150,564	346,681	---	---	272,164	19,376,690	63.57
1938.....	16,110,079	---	547,079	370,812	157,183	346,681	---	---	202,688	20,096,865	64.50
1939.....	19,963,091	---	547,078	370,812	161,147	346,681	---	---	189,292	23,731,736	67.82
1940.....	22,624,108	---	547,078	402,261	173,909	346,681	---	---	167,190	28,457,960	70.15
1941.....	22,736,708	---	547,077	447,248	193,364	346,681	---	---	151,909	32,774,011	69.03
1942.....	22,387,522	---	539,956	659,908	224,748	346,681	---	---	140,337	35,840,908	63.44
1943.....	21,173,066	---	539,956	659,908	244,850	346,681	---	---	135,358	40,808,266	54.78
1944.....	20,212,973	---	493,943	825,798	276,393	346,681	---	---	127,218	44,805,301	47.26
1945.....	20,212,973	---	493,943	825,798	303,559	346,681	---	---	121,215	48,009,400	42.10

<sup>1</sup> See note 1, p. 675. For figures for years prior to 1913, see annual report for 1928, pp. 552-553.

<sup>2</sup> A part of the gold and silver included in the stock of money is held as a reserve against other kinds of money, as follows: (1) As a reserve for United States notes and Treasury notes of 1890—gold bullion varying in amount from \$150,000,000 to \$156,039,431 during the years included in the table; (2) as security for Treasury notes of 1890—an equal dollar amount in standard silver dollars (these notes are being canceled and retired on receipt); (3) as security for outstanding silver certificates—silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates; and (4) as security for gold certificates and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are such gold certificates. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or, until June 30, 1945, of direct obligations of the United States if so authorized by a majority vote of the Board of Governors of the Federal Reserve System. Federal Reserve Banks must maintain a reserve in gold certificates of at least 40 percent, including the redemption fund which must be deposited with the Treasurer of the United States, against Federal Reserve notes in actual circulation. "Gold certificates" as herein used includes credits with the Treasurer of the United States payable in gold certificates. Federal Reserve Bank notes and national bank notes are in process of retirement. The monetary value of gold was changed from \$20.67+ per fine ounce to \$35.00 per fine ounce on Jan. 31, 1934.

<sup>3</sup> The totals involve a duplication to the extent that United States notes, Federal Reserve notes, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of the part secured by gold, also included in full. Gold certificates, silver certificates, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of the equal amounts of gold or silver held as security therefor and included in the totals.

TABLE 92.—*Money in circulation, by kinds, at the end of each fiscal year from 1913 through 1945*  
(Dollars in thousands)

June 30—	Gold coin	Gold certificates <sup>1</sup>	Standard silver dollars	Silver certificates <sup>1</sup>	Treasury notes of 1890 <sup>2</sup>	Subsidiary silver	Minor coin	United States notes <sup>3</sup>	Federal Reserve notes <sup>2</sup>	Federal Reserve Bank notes <sup>2</sup>	National bank notes <sup>2</sup>	Total
1913	\$608,401	\$1,003,998	\$72,127	\$460,129	\$2,657	\$154,458	\$54,954	\$337,215	-----	-----	\$715,754	\$3,418,692
1914	611,545	1,026,149	70,300	478,602	2,428	159,966	57,419	337,846	-----	-----	715,180	3,459,434
1915	587,537	981,889	64,499	463,147	2,045	159,043	58,516	309,706	-----	-----	782,120	3,319,582
1916	624,930	1,050,286	66,234	476,270	2,298	171,178	62,998	328,227	-----	-----	716,204	3,619,238
1917	666,545	1,082,926	67,251	468,363	1,970	193,745	68,411	311,595	109,152	\$1,683	690,635	4,066,404
1918	537,230	511,190	77,201	370,349	1,851	216,492	74,868	291,559	1,698,190	3,702	691,407	4,481,697
1919	474,875	327,552	70,041	163,445	1,745	229,316	81,780	274,119	2,430,278	155,014	639,472	4,876,698
1920	474,822	269,007	76,749	97,600	1,656	248,863	90,953	278,144	3,064,742	185,941	689,008	5,467,589
1921	447,272	200,582	65,883	138,843	1,576	235,295	91,409	295,170	2,599,598	128,942	721,421	4,910,992
1922	415,937	173,342	57,973	205,335	1,510	229,310	89,157	292,343	2,138,715	71,868	727,081	4,463,172
1923	386,456	173,342	57,202	304,258	1,460	247,307	93,897	302,749	2,234,660	11,969	711,076	4,823,275
1924	393,330	801,381	54,015	384,414	1,423	262,995	96,952	297,790	1,843,106	10,066	733,835	4,849,307
1925	402,297	1,004,823	54,289	382,780	1,337	252,009	100,307	282,578	1,636,108	6,921	681,709	4,815,208
1926	391,703	1,007,371	51,577	377,741	1,356	270,072	104,194	294,916	1,679,407	5,453	651,477	4,885,266
1927	384,957	1,007,075	48,717	375,798	1,327	275,605	108,132	292,205	1,702,843	4,606	650,057	4,851,321
1928	377,028	1,019,149	46,222	384,577	1,304	278,175	111,061	298,438	1,626,433	4,029	650,212	4,796,626
1929	368,488	934,994	43,654	387,073	1,283	284,226	115,210	262,188	1,692,721	3,616	652,812	4,746,297
1930	357,236	904,841	38,629	386,915	1,260	281,231	117,436	298,389	1,402,066	3,206	650,779	4,621,988
1931	363,020	906,510	34,326	377,149	1,240	273,147	117,393	299,427	1,708,429	2,929	648,863	4,821,953
1932	452,763	715,683	30,115	332,605	1,222	256,220	113,619	289,076	2,780,229	2,746	700,894	5,695,171
1933	265,487	265,487	27,995	360,699	1,186	256,805	112,532	268,869	3,000,793	125,845	919,614	5,720,764
1934	149,740	30,013	40,145	301,456	1,189	280,400	119,142	279,608	3,008,404	141,645	910,872	5,373,470
1935	117,167	117,167	32,308	701,474	1,182	295,773	125,125	285,417	3,222,913	81,470	704,263	5,567,093
1936	100,771	35,029	954,592	1,177	1,177	316,476	134,691	278,190	4,002,216	51,954	366,105	6,241,200
1937	88,116	78,500	38,045	1,078,071	1,172	340,827	144,107	281,459	4,114,338	37,616	268,862	6,447,056
1938	78,500	78,500	39,446	1,230,156	1,169	341,942	154,625	282,155	4,183,552	30,118	217,441	6,460,891
1939	66,793	66,793	42,407	1,483,573	1,166	361,209	158,969	285,962	4,163,284	25,593	186,480	7,046,743
1940	66,793	66,793	46,020	1,581,662	1,163	384,187	168,977	297,887	5,163,284	22,373	165,155	7,847,501
1941	62,872	62,872	52,992	1,713,508	1,161	433,485	193,963	290,514	6,684,209	20,268	150,460	9,612,432
1942	66,993	66,993	66,993	1,754,255	1,158	503,947	213,144	316,886	9,310,135	18,717	139,131	12,382,866
1943	56,909	56,909	83,701	1,648,571	1,155	610,005	235,672	322,343	13,746,612	17,421	132,130	17,421,280
1944	53,964	53,964	103,325	1,587,691	1,154	700,022	262,775	392,293	18,750,201	597,030	125,887	22,504,342
1945	52,084	52,084	125,178	1,630,689	1,150	788,283	291,996	392,587	22,867,489	527,001	120,012	26,746,438

<sup>1</sup> See note 1, p. 675. For figures for years prior to 1913, see annual report for 1928, pp. 554-555.<sup>2</sup> For description of security held for redemption, see note 2, p. 676.<sup>3</sup> Under the order of the Secretary of the Treasury of Dec. 28, 1933, as amended and supplemented on Jan. 11 and 15, 1934, all gold coin domestically owned (with minor exceptions) was required to be delivered for the account of the Treasury of Dec. 28, 1933, and under the Gold Reserve Act of 1934 (Jan. 30) withdrawn from circulation and formed into bars. Gold coin (\$287,000,000) shown on Treasury records as being then outstanding was dropped from the monthly circulation statement as of Jan. 31, 1934.







[illegible]

Footnotes at end of table.



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Footnotes at end of table.

TABLE 93.—Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States<sup>1</sup>—Continued  
PART A. OWNERSHIP BY CLASSES OF HOLDERS OF PUBLIC MARKETABLE INTEREST-BEARING SECURITIES<sup>2</sup> ON QUARTERLY DATES FROM JUNE 30, 1944,  
THROUGH JUNE 30, 1945 (PAR VALUES IN MILLIONS OF DOLLARS)—Continued

Public marketable security issue, classified by Federal income tax status	V. Held by fire, casualty <sup>7</sup> and marine insurance companies				VI. Held by Federal Reserve banks and United States Government agencies and trust funds				VII. Held by all other investors <sup>11</sup>				VIII. Grand total held by all invest- ors in public marketable interest bearing securities				
	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1945
2. Partially exempt from Federal in- come taxes: <sup>8</sup>																	
Treasury bonds:																	
4% December 1944-54-----	27	26	20	19	15	78	179	179	162	398	402	404	426	1,037	1,214	1,214	1,214
2 1/2% September 1945-47-----	28	22	19	18	16	178	18	18	18	373	385	404	265	1,214	541	541	541
2 1/2% December 1945-----	21	21	19	18	10	77	77	77	77	202	225	258	271	489	489	489	489
3 1/2% March 1946-56-----	12	12	10	10	10	77	77	77	207	119	119	219	251	1,036	1,036	1,036	1,036
3% June 1946-48-----	26	25	27	24	21	208	207	207	207	227	224	261	279	819	819	819	819
3 1/2% June 1946-49-----	18	17	17	16	14	87	87	87	87	278	266	260	279	819	819	819	819
4 1/2% October 1947-52-----	37	37	32	29	26	81	81	81	81	243	263	246	319	759	759	759	759
2 1/2% December 1947-----	28	30	30	30	26	(*)	(*)	(*)	(*)	90	97	98	107	701	701	701	701
2 1/2% March 1948-51-----	33	33	32	42	31	160	160	160	160	121	123	129	121	1,223	1,223	1,223	1,223
2 1/2% September 1948-----	14	14	14	14	12	44	44	44	44	70	68	62	65	451	451	451	451
2% December 1948-50-----	16	16	16	16	15	44	40	40	40	50	57	54	52	571	571	571	571
3 1/2% December 1949-52-----	27	28	26	25	23	40	231	231	230	59	61	58	53	491	491	491	491
2 1/2% December 1949-53-----	56	57	61	54	49	231	112	112	112	228	247	290	216	1,786	1,786	1,786	1,786
2 1/2% September 1950-52-----	52	53	62	51	43	117	112	112	112	23	22	4	5	1,186	1,186	1,186	1,186
2 1/2% June 1951-54-----	68	70	74	67	60	168	164	164	164	194	214	176	184	1,627	1,627	1,627	1,627
3% September 1951-55-----	34	34	38	34	34	79	79	79	77	273	243	240	283	755	755	755	755
2 1/2% December 1951-53-----	33	30	32	32	32	107	112	112	98	103	74	83	114	1,118	1,118	1,118	1,118
2% June 1953-55-----	24	26	29	28	28	14	14	14	14	61	58	55	45	725	725	725	725
2 1/2% June 1954-56-----	37	37	37	37	38	44	44	44	35	83	71	71	78	681	681	681	681
2 1/2% March 1955-60-----	126	135	137	131	119	362	361	363	351	966	912	906	876	2,611	2,611	2,611	2,611
2 1/2% September 1956-59-----	62	73	71	72	70	127	127	127	121	158	144	159	155	982	982	982	982
2 1/2% June 1958-63-----	72	73	74	74	72	70	70	73	60	131	106	114	120	919	919	919	919
2 1/2% December 1960-65-----	110	108	112	113	106	109	110	110	102	277	331	301	244	1,485	1,485	1,485	1,485
Total Treasury bonds-----	959	977	908	934	864	2,400	2,395	2,323	2,260	4,726	4,710	4,245	4,420	23,207	23,207	22,171	22,171
Guaranteed issues: <sup>7</sup>																	
Federal Housing Adminis- tration debentures <sup>8</sup> -----	(*)	(*)	(*)	(*)	(*)	1	1	1	2	1	1	1	1	13	13	10	10
Home Owners' Loan Corpo- ration bonds, 1 1/2% June 1945-47-----	5	5	5	5	5	(*)	(*)	(*)	(*)	167	198	163	178	755	755	755	755



Total guaranteed issues...																							
Total partially exempt from Federal income taxes *																							
3. Subject to Federal income taxes: 10																							
Treasury bills																							
Certificates of indebtedness:																							
11 31 9 11 61 15 102																							
1%																							
August 1944																							
September 1944																							
October 1944																							
December 1944																							
January 1945																							
February 1945																							
March 1945																							
April 1945																							
May 1945																							
June 1945																							
August 1945																							
September 1945																							
October 1945																							
November 1945																							
December 1945																							
January 1946																							
February 1946																							
March 1946																							
April 1946																							
May 1946																							
June 1946																							
Total certificates of indebtedness																							
Treasury notes:																							
7 8 10 10 7																							
3%																							
September 1944																							
March 1945																							
March 1945																							
December 1945																							
January 1946																							
March 1946																							
July 1946																							
December 1946																							
March 1947																							
September 1947																							
September 1947																							
September 1948																							
Total Treasury notes																							
Treasury bonds:																							
23 39 14 21 23																							
2%																							
March 1948-50																							
June 1948																							
June 1949-51																							
September 1949-51																							
Total Treasury notes																							

Footnotes at end of table.

TABLE 93.—Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States<sup>1</sup>—Continued  
 PART A. OWNERSHIP BY CLASSES OF PUBLIC MARKETABLE INTEREST-BEARING SECURITIES<sup>2</sup> ON QUARTERLY DATES FROM JUNE 30, 1944,  
 THROUGH JUNE 30, 1945 (PAR VALUES IN MILLIONS OF DOLLARS)—Continued

Public marketable security issue, classified by Federal income tax status	June 30, 1944				June 30, 1945				June 30, 1945			
	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945
<b>V. Held by fire, casualty, and marine insurance companies</b>												
22 2/2% December 1949-51.....	22	23	21	25	23	23	21	25	23	23	21	25
24 2/2% March 1950-52.....	24	23	23	25	29	29	21	19	11	7	7	7
2% September 1950-52.....	70	71	70	78	76	126	83	83	77	63		
1 1/2% December 1950.....	136	139	130	144	137	305	126	127	128	125		
2% September 1951-53.....	7	7	7	7	7	17	19	20	16	16		
2% December 1951-55.....	11	13	14	21	19	67	67	67	67	67		
2% June 1952-54.....	102	117	88	98	86	2	7	10	13	10		
2% December 1952-54.....	24	25	25	26	24	74	74	74	75	75		
2 1/2% June 1952-55.....	29	19	16	18	16	59	55	54	54	50		
2 1/2% March 1956-58.....	97	96	86	102	104	96	104	103	116	131		
2 1/4% September 1956-59.....												
2 1/4% June 1959-62.....	38	41	42	43	39	199	202	199	207	200		
2 1/2% June 1962-67.....	34	34	34	32	32	273	271	268	265	264		
2 1/2% December 1963-68.....	34	38	39	38	39	423	419	422	409	408		
2 1/2% June 1964-69.....	44	45	44	45	44	523	519	524	503	502		
2 1/2% December 1964-69.....	33	38	40	41	42	846	857	858	867	867		
2 1/2% March 1965-70.....			19	20	17			663	667	667		
2 1/2% June 1966-71.....						323	323	322	328	326		
2 1/2% June 1967-72.....	33	33	34	32	29							
2 1/2% September 1967-72.....												
Total Treasury bonds.....	836	867	1,009	1,073	1,292	3,502	3,265	4,093	3,907	4,927		
<b>Guaranteed issues:<sup>1</sup></b>												
Commodity Credit Corporation notes, 1 1/8% February 1945.....	4	8	3			3	3	3				
Federal Housing Administration debentures <sup>2</sup> .....	(*)	(*)	(*)	(*)	(*)	1	1	1	4	4		
Total guaranteed issues.....	4	8	4	(*)	(*)	3	3	3	4	4		
Total subject to Federal income taxes <sup>3</sup> .....	1,253	1,307	1,442	1,533	1,712	17,020	18,793	21,805	22,639	25,712		
Total public marketable interest-bearing securities.....	2,229	2,300	2,425	2,473	2,577	19,505	21,245	24,184	24,936	27,904		
<b>3. Subject to Federal income taxes—Con.</b>												
Treasury bonds—Continued.												
2% December 1949-51.....												
2% March 1950-52.....												
2% September 1950-52.....												
1 1/2% December 1950.....												
2% September 1951-53.....												
2% December 1951-55.....												
2% June 1952-54.....												
2% December 1952-54.....												
2 1/2% June 1952-55.....												
2 1/2% March 1956-58.....												
2 1/4% September 1956-59.....												
2 1/4% June 1959-62.....												
2 1/2% June 1962-67.....												
2 1/2% December 1963-68.....												
2 1/2% June 1964-69.....												
2 1/2% December 1964-69.....												
2 1/2% March 1965-70.....												
2 1/2% June 1966-71.....												
2 1/2% June 1967-72.....												
2 1/2% September 1967-72.....												
<b>VII. Held by all other investors<sup>11</sup></b>												
353 329 331 336 312	353	329	331	336	312							
146 161 148 144 138	146	161	148	144	138							
1,208 1,132 1,113 1,098 1,577	1,208	1,132	1,113	1,098	1,577							
1,916 1,843 1,753 1,658 1,522	1,916	1,843	1,753	1,658	1,522							
75 79 75 75 77	75	79	75	75	77							
224 206 199 211 189	224	206	199	211	189							
2,282 2,215 1,603 1,452 1,257	2,282	2,215	1,603	1,452	1,257							
218 212 206 208 180	218	212	206	208	180							
280 284 283 253 239	280	284	283	253	239							
1,466 1,341 1,322 1,300 1,857	1,466	1,341	1,322	1,300	1,857							
418 435 425 412 401	418	435	425	412	401							
720 722 719 698 695	720	722	719	698	695							
1,199 1,185 1,182 1,137 1,117	1,199	1,185	1,182	1,137	1,117							
1,383 1,374 1,380 1,360 1,331	1,383	1,374	1,380	1,360	1,331							
1,850 1,721 1,690 1,674 1,626	1,850	1,721	1,690	1,674	1,626							
602 606 605 591 554	602	606	605	591	554							
15,203 14,696 18,853 17,677 24,171	15,203	14,696	18,853	17,677	24,171							
37 32 38	37	32	38									
(*) 1 1 1 2	(*)	1	1	1	2							
37 32 39 1 2	37	32	39	1	2							
23,174 28,766 34,624 33,827 41,043	23,174	28,766	34,624	33,827	41,043							
34,935 34,324 39,670 38,568 45,652	34,935	34,324	39,670	38,568	45,652							
<b>VIII. Grand total held by all investors in public marketable interest-bearing securities</b>												
2,098 2,098 2,098 2,098 2,098	2,098	2,098	2,098	2,098	2,098							
1,963 1,963 1,963 1,963 1,963	1,963	1,963	1,963	1,963	1,963							
4,939 4,939 4,939 4,939 4,939	4,939	4,939	4,939	4,939	4,939							
7,986 7,986 7,986 7,986 7,986	7,986	7,986	7,986	7,986	7,986							
510 510 510 510 510	510	510	510	510	510							
1,024 1,024 1,024 1,024 1,024	1,024	1,024	1,024	1,024	1,024							
5,825 5,825 5,825 5,825 5,825	5,825	5,825	5,825	5,825	5,825							
8,070 8,070 8,070 8,070 8,070	8,070	8,070	8,070	8,070	8,070							
1,501 1,501 1,501 1,501 1,501	1,501	1,501	1,501	1,501	1,501							
1,449 1,449 1,449 1,449 1,449	1,449	1,449	1,449	1,449	1,449							
3,823 3,823 3,823 3,823 3,823	3,823	3,823	3,823	3,823	3,823							
2,118 2,118 2,118 2,118 2,118	2,118	2,118	2,118	2,118	2,118							
2,831 2,831 2,831 2,831 2,831	2,831	2,831	2,831	2,831	2,831							
3,761 3,761 3,761 3,761 3,761	3,761	3,761	3,761	3,761	3,761							
3,838 3,838 3,838 3,838 3,838	3,838	3,838	3,838	3,838	3,838							
5,197 5,197 5,197 5,197 5,197	5,197	5,197	5,197	5,197	5,197							
3,481 3,481 3,481 3,481 3,481	3,481	3,481	3,481	3,481	3,481							
7,199 7,199 7,199 7,199 7,199	7,199	7,199	7,199	7,199	7,199							
2,716 2,716 2,716 2,716 2,716	2,716	2,716	2,716	2,716	2,716							
56,037 58,063 69,414 70,206 84,278	56,037	58,063	69,414	70,206	84,278							
412 412 412 412 412	412	412	412	412	412							
10 12 15 23 24	10	12	15	23	24							
422 424 426 426 426	422	424	426	426	426							
116,419 121,025 138,990 140,281 158,976	116,419	121,025	138,990	140,281	158,976							
141,591 145,914 162,843 163,412 181,353	141,591	145,914	162,843	163,412	181,353							

PART B. OWNERSHIP BY CLASSES OF HOLDERS OF EACH ISSUE OF PUBLIC NONMARKETABLE INTEREST-BEARING SECURITIES <sup>2</sup> ON QUARTERLY DATES FROM JUNE 30, 1944, THROUGH JUNE 30, 1945 (FAR VALUES IN MILLIONS OF DOLLARS)

Public nonmarketable security issue	I. Held by commercial banks <sup>3,4</sup>					II. Held by stock savings banks <sup>4</sup>					III. Held by mutual savings banks <sup>4</sup>					IV. Held by life insurance companies				
	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1945	June 30, 1944	Sept. 30, 1944	Dec. 31, 1944	Mar. 31, 1945	June 30, 1945
United States savings bonds (current redemption value) <sup>13</sup>	472	508	559	563	806	5	5	5	6	6	151	155	157	193	197	71	79	80	96	98
Treasury tax and savings notes <sup>10</sup>	65	56	65	58	63	1	1	1	1	2	(*)	(*)	(*)	(*)	(*)	6	5	5	5	4
Adjusted service bonds <sup>9</sup>																				
Depository bonds <sup>10</sup>	430	441	456	467	460	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)					
Guaranteed securities: <sup>7</sup>																				
Commodity Credit Corporation demand obligations <sup>10</sup>	150	247	223	159	152															
Reconstruction Finance Corporation, Series X-B notes <sup>10</sup>																				
Total public nonmarketable interest-bearing securities	1,116	1,252	1,303	1,248	1,480	6	6	6	7	9	151	155	157	193	197	77	84	85	100	102
V. Held by fire, casualty, and marine insurance companies																				
United States savings bonds (current redemption value) <sup>13</sup>	120	127	139	155	163	9	10	10	10	11	33,778	36,440	39,412	41,137	44,304	34,606	37,323	40,361	42,159	45,586
Treasury tax and savings notes <sup>10</sup>	19	17	17	13	12	(*)	(*)	(*)	(*)	5	9,465	9,045	9,754	8,865	10,048	9,557	9,124	9,843	8,948	10,136
Adjusted service bonds <sup>9</sup>						(*)	(*)	(*)	(*)		217	216	215	217	217	217	216	215	217	217
Depository bonds <sup>10</sup>											45	47	43	41	45	474	489	499	509	505
Guaranteed securities: <sup>7</sup>																				
Commodity Credit Corporation demand obligations <sup>10</sup>																150	289	275	332	375
Reconstruction Finance Corporation, Series X-B notes <sup>10</sup>						176										176				
Total public nonmarketable interest-bearing securities	139	144	155	168	176	185	10	10	15	16	43,505	45,790	47,650	49,434	54,621	45,180	47,441	51,192	52,165	56,601
VI. Held by Federal Reserve banks and United States Government agencies and trust funds																				
VII. Held by all other investors <sup>11</sup>																				
VIII. Grand total held by all investors in public nonmarketable interest-bearing securities																				

Footnotes at end of table.





3 3/8% June 1946-49	132	163	180	27	27	116	131	116	36	47	40	310	368	363	14	14	13	324	381	376	
4 1/4% October 1947-52	133	140	150	24	31	127	120	66	43	37	30	327	328	282	11	15	14	338	344	296	
2% December 1947	154	122	155	34	44	241	265	235	111	115	104	539	546	537	34	25	25	573	571	562	
2 3/4% March 1948-51	221	223	322	25	27	429	426	400	106	117	105	780	793	854	36	36	35	816	829	889	
2 3/4% September 1948	82	117	11	20	20	161	162	154	67	67	58	321	331	349	20	19	20	341	350	370	
2% December 1948-50	135	125	129	19	25	26	192	199	210	79	74	73	425	423	437	27	27	27	453	450	463
3 1/4% December 1949-52	48	56	92	30	30	167	169	168	39	37	38	285	292	328	19	20	20	304	312	348	
2 1/2% December 1949-53	284	274	359	33	33	606	623	618	215	218	212	1,141	1,149	1,224	64	65	60	1,206	1,214	1,284	
2 1/2% September 1950-52	228	217	284	42	42	360	373	354	215	242	209	845	875	889	75	80	72	920	954	960	
2 3/4% June 1951-54	314	370	433	48	49	400	419	449	164	196	207	924	1,035	1,138	47	53	47	971	1,089	1,185	
3% September 1951-55	56	53	83	32	37	116	144	123	75	79	71	279	312	315	19	20	18	238	332	333	
2 1/4% December 1951-53	139	120	167	71	71	334	422	417	191	208	181	796	820	839	55	48	44	851	868	882	
2% June 1953-55	74	74	74	75	75	278	278	295	157	160	163	583	587	607	38	36	35	621	622	643	
2 1/4% June 1954-56	58	85	83	34	34	39	213	217	229	126	133	432	470	487	31	34	31	463	503	518	
2 1/4% March 1955-60	142	188	262	81	92	98	401	445	531	200	230	824	955	1,122	73	70	72	897	1,025	1,194	
2 3/4% September 1956-59	69	68	70	94	101	151	166	234	104	109	119	418	444	524	26	25	40	443	469	565	
2 3/4% June 1958-63	53	55	82	59	70	72	134	157	123	115	126	369	397	525	29	30	35	398	427	560	
2 3/4% December 1960-65	68	31	88	82	94	331	350	438	221	228	232	702	703	857	60	62	67	762	765	925	
Total Treasury bonds	3,248	2,993	3,692	940	1,003	5,367	5,557	5,744	2,532	2,628	2,615	12,087	12,181	13,091	761	743	750	12,848	12,924	13,840	
Guaranteed issues: 7																					
Federal Housing Admin- istration debentures 8						2	2	1	2	2	1	3	4	3	1	(*)	(*)	4	4	3	
Home Owners' Loan Cor- poration bonds, 1 1/2% June 1945-47	103	81		5	5	295	330		133	125		536	541		42	43		578	584		
Total guaranteed is- sues	103	81		5	5	297	332	1	135	127	1	540	545	3	43	44	(*)	582	588	3	
Total partially exempt from Federal income taxes 9	3,351	3,074	3,692	945	1,008	5,664	5,889	5,745	2,668	2,754	2,616	12,627	12,725	13,093	803	787	750	13,430	13,512	13,843	
3. Subject to Federal income taxes: 10	1,258	913	424	357	250	110	1,905	1,712	825	779	668	4,355	3,653	2,524	539	460	274	4,894	4,113	2,798	
Treasury bills																					
Certificates of indebtedness:																					
7 1/2% August 1944	367	161				662			438			1,627			120			1,747			
7 1/2% September 1944	868	65				677			312			1,911			92			2,002			
7 1/2% October 1944	704	160				877			536			2,277			183			2,400			
7 1/2% December 1944	797	148				819			526			2,260			185			2,445			
7 1/2% February 1945	604	812				721	979		317	444		1,854	2,411		126	224		1,980	2,636		
7 1/2% April 1945	743	642				1,332	1,181		673	700		2,927	2,609		238	343		3,165	2,951		
7 1/2% May 1945	214	149				496	447		272	290		1,095	1,007		79	83		1,174	1,089		
7 1/2% June 1945	421	255				16	724		5	315		21	1,715		20	148		41	1,863		
7 1/2% August 1945		288	151				676	601		410	410		1,537	1,346		134	171		1,671	1,517	
7 1/2% September 1945		864	478				784	754		357	369		2,046	1,962		119	150		2,215	1,812	
7 1/2% October 1945			357				861	794		558	566		2,158	1,923		242	234		2,400	2,156	
7 1/2% December 1945			9				43	574		79	246		145	1,399		40	100		185	1,499	

Footnotes at end of table.



26% September 1949-51	181	206	219	120	125	120	305	302	311	235	258	272	841	891	921	86	90	881	927	981	1,010
27% December 1949-51	324	358	270	60	64	63	463	415	509	443	482	503	1,290	1,319	1,345	155	154	156	1,445	1,472	1,501
27% March 1950-52	399	433	280	28	37	45	399	358	365	439	450	451	1,266	1,329	1,360	169	167	176	1,435	1,486	1,536
2% September 1950-52	604	818	948	66	68	69	779	762	792	896	919	952	2,345	2,567	2,761	316	324	339	2,662	2,891	3,101
1 3/4% December 1950						4			121			490			622			162			784
2% September 1951-53	1,181	1,208	1,233	70	71	81	1,118	1,068	1,258	1,537	1,677	1,683	3,906	4,023	4,256	501	582	685	4,407	4,608	4,841
2% December 1951-53	57	58	62	(*)	(*)	(*)	89	83	75	156	162	170	301	303	308	69	63	62	360	366	369
2 1/2% March 1952-54	69	131	93	29	29	32	67	66	95	98	126	130	262	352	349	36	42	47	298	394	396
2% June 1952-54	6	609	666	2	28	25	66	783	946	268	1,219	1,246	343	2,649	2,913	101	443	455	444	3,092	3,368
2% December 1952-54		327	760		30	79		468	1,126		799	1,551		1,625	3,515		276	505		1,901	4,020
2 1/4% June 1952-55					28	27	217	207	222	262	273	289	610	632	662	101	111	111	711	744	773
2 1/4% March 1956-58					4	5	63	69	132	120	142	218	229	261	411	45	50	69	274	311	480
2 1/4% September 1956-59					1	1	41	30	36	175	166	164	217	198	202	70	68	65	287	266	268
2 1/4% March 1965-70					(*)	(*)	6	4	6	36	45	44	42	49	50	16	21	21	59	70	71
2 1/4% March 1966-71					1	1			7					53	48		12	15		65	63
2 1/2% September 1967-72	39	22	104	61	51	57	188	191	245	435	463	553	724	726	960	157	173	209	880	900	1,169
Total Treasury bonds	4,064	5,429	5,976	676	757	853	4,836	5,951	7,476	6,086	8,244	9,916	15,662	20,381	24,221	2,156	2,924	3,415	17,818	23,305	27,635
Guaranteed issues: 7																					
Commodity Credit Corporation notes, 1 1/8% February 1945	98	103		26	26		99	104		107	102		330	334		33	31		362	365	
Federal Housing Administration debentures 8		1	1				2	2	3	1	2	3	3	5	7	(*)	(*)	1	3	5	7
Total guaranteed issues	98	103	1	26	26		101	106	3	108	104	3	333	339	7	33	31	1	365	370	7
Total subject to Federal income taxes 9																					
4. Total public marketable interest-bearing securities	16,018	17,047	17,277	3,627	3,860	4,061	21,979	24,513	26,773	15,937	19,202	21,356	57,561	64,622	69,468	5,672	7,086	7,627	63,233	71,708	77,095

Footnotes at end of table.

TABLE 98.—*Summary data from Treasury survey of the ownership of securities issued or guaranteed by the United States*<sup>1</sup>—Continued  
PART D. OWNERSHIP BY FEDERAL RESERVE MEMBER AND NONMEMBER COMMERCIAL BANKS OF EACH ISSUE OF NONMARKETABLE INTEREST-BEARING SECURITIES ON JUNE 30, 1944, DEC. 31, 1944, AND JUNE 30, 1945 (PAR VALUES IN MILLIONS OF DOLLARS)

Public nonmarketable security issue	Central Reserve City member commercial banks						III. Held by Reserve City member commercial banks						IV. Held by member country commercial banks						V. (I through IV) Held by member commercial banks						VI. Held by non-member commercial banks						VII. (V plus VI) Held by all commercial banks reporting <sup>4 12</sup>					
	I. Held by New York City banks						II. Held by Chicago banks																													
	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945	June 30, 1944	Dec. 31, 1944	June 30, 1945						
United States savings bonds (current redemption value) <sup>13</sup>	1	1	1		2	3	28	30	44	299	345	511	331	378	559	141	180	247						472	559	806										
Treasury tax and savings notes <sup>10</sup>	8	9	15	20	11	8	14	13	12	12	18	14	54	51	49	11	14	14						65	65	63										
Depository bonds <sup>10</sup>	25	26	28	5	5	7	172	180	185	201	213	209	403	424	429	27	31	31						430	456	460										
Guaranteed securities: <sup>7</sup>																																				
Commodity Credit Corporation demand obligations <sup>10</sup>	19	52	3	20	22	22	63	107	82	29	30	34	131	211	141	19	12	10						150	223	152										
Total public nonmarketable interest-bearing securities	52	88	47	48	40	40	277	330	323	542	607	768	918	1,065	1,178	198	238	302						1,116	1,303	1,480										

NOTE.—Figures are rounded and will not necessarily add to totals.

\* Less than \$500,000.

<sup>1</sup> The banks and insurance companies covered in the Treasury survey of the ownership of securities issued or guaranteed by the United States account for approximately 95 percent of the amount of such securities owned by all banks and insurance companies in the United States.

<sup>2</sup> Public marketable securities include all interest-bearing securities except (1) special issues to Government agencies and trust funds, (2) United States savings bonds, (3) Treasury tax and savings notes, (4) adjusted service bonds, (5) depository bonds, (6) Commodity Credit Corporation demand obligations, and (7) Reconstruction Finance Corporation notes, Series X-B. The holders of the securities listed under groups (2) through (7) are shown in parts B and D.

<sup>3</sup> Includes trust companies. Details on the ownership of marketable and nonmarketable securities by member and nonmember commercial banks on June 30, 1944, Dec. 31, 1944, and June 30, 1945, are shown in parts C and D beginning on p. 686.

<sup>4</sup> Securities held in trust departments are excluded.

<sup>5</sup> Securities the income from which is exempt from both the normal and surtax rates of the Federal income tax.

<sup>6</sup> Securities the income from which is exempt from the normal rates of the Federal income tax, except that in the case of partially tax-exempt Treasury and savings bonds, interest derived from \$5,000 of principal amount owned by any holder is also exempt from the surtax rates.

<sup>7</sup> Guaranteed securities held by the Treasury are not included.

<sup>8</sup> Distribution of partially taxable and taxable Federal Housing Administration debentures by type of holder estimated.

<sup>9</sup> Includes estimated amounts by type of holder of Federal Housing Administration debentures.

<sup>10</sup> Securities the income from which is subject to both normal and surtax rates.

<sup>11</sup> Includes banks and insurance companies which are not covered in the Treasury survey (see note 1).

<sup>12</sup> Includes trust companies.

<sup>13</sup> Series A-D savings bonds sold prior to Mar. 1, 1941, are partially tax-exempt (see note 6); those sold on and after that date and Series E, F, and G are taxable (see note 10).



TABLE 94.—*Estimated ownership of all interest-bearing governmental securities outstanding, classified by issuer, June 30, 1937 through 1945*[Par value.<sup>1</sup> In billions of dollars]

June 30	Total amount outstanding	Held by banks			Held by nonbank investors						
		Total	Commercial banks	Federal Reserve Banks	Total	Individuals <sup>2</sup>	Insurance companies	Mutual savings banks	Other corporations and associations <sup>3</sup>	State and local governments <sup>4</sup>	U. S. Government agencies and trust funds
1937-----	62.0	19.9	17.4	2.5	42.2	19.3	6.8	3.2	3.9	4.1	5.0
1938-----	63.0	19.5	16.9	2.6	43.4	18.7	7.4	3.4	3.7	4.2	6.2
1939-----	67.4	21.5	18.9	2.6	45.8	18.7	7.9	3.6	4.1	4.4	7.2
1940-----	70.1	22.7	20.2	2.5	47.5	18.3	8.7	3.7	4.0	4.4	8.4
1941-----	77.0	26.1	24.0	2.2	50.8	19.4	9.3	3.9	3.7	4.5	10.0
1942-----	98.2	33.0	30.3	2.6	65.2	26.2	11.4	4.3	6.6	4.7	12.2
1943-----	159.9	63.5	56.3	7.2	96.3	38.3	14.8	5.5	16.9	5.2	15.5
1944-----	219.8	87.4	72.5	14.9	132.4	53.0	18.8	7.5	26.8	6.5	19.9
1945-----	274.2	110.3	88.5	21.8	163.9	65.9	23.9	9.7	30.8	8.2	25.4

## I. Total all governmental securities

II. Securities of U. S. Government and Federal instrumentalities guaranteed by United States<sup>5</sup>

1937-----	40.5	16.7	14.2	2.5	23.8	9.9	5.0	2.4	2.6	0.3	3.6
1938-----	41.4	16.3	13.7	2.6	25.1	9.5	5.5	2.7	2.4	.3	4.8
1939-----	45.3	17.9	15.3	2.6	27.4	9.8	5.9	3.0	2.6	.3	5.9
1940-----	47.9	18.6	16.1	2.5	29.3	9.7	6.5	3.1	2.6	.3	7.1
1941-----	54.7	21.8	19.7	2.2	32.9	11.1	7.1	3.4	2.4	.4	8.5
1942-----	76.5	28.7	26.0	2.6	47.8	18.2	9.2	3.9	5.4	.6	10.6
1943-----	139.5	59.4	52.2	7.2	80.0	30.3	13.1	5.3	15.7	1.3	14.3
1944-----	201.1	83.3	68.4	14.9	117.7	45.1	17.3	7.3	25.7	3.2	19.1
1945-----	256.8	105.9	84.1	21.8	150.8	58.5	22.7	9.6	29.9	5.3	24.9

## III. Securities of Federal instrumentalities not guaranteed by United States

1937-----	2.3	0.4	0.4	-----	1.9	0.9	-----	(*)	0.2	-----	0.8
1938-----	2.3	.4	.4	-----	1.8	.8	-----	(*)	.2	-----	.8
1939-----	2.3	.4	.4	-----	1.9	.8	-----	(*)	.2	-----	.8
1940-----	2.2	.5	.5	-----	1.8	.7	-----	(*)	.2	-----	.8
1941-----	2.2	.6	.6	-----	1.6	.6	-----	(*)	.2	-----	.8
1942-----	2.2	.7	.7	-----	1.5	.6	-----	(*)	.1	-----	.8
1943-----	1.9	.6	.6	-----	1.3	.6	-----	(*)	.1	-----	.6
1944-----	1.5	.6	.6	-----	.9	.6	-----	(*)	.1	-----	.2
1945-----	1.0	.5	.5	-----	.5	.4	-----	(*)	.1	-----	(*)

## IV. Securities of State and local governments, territories, and possessions

1937-----	19.3	2.8	2.8	-----	16.5	8.5	1.8	0.8	1.1	3.8	0.5
1938-----	19.3	2.8	2.8	-----	16.5	8.4	1.9	.7	1.1	3.9	.5
1939-----	19.8	3.2	3.2	-----	16.5	8.1	2.0	.6	1.3	4.1	.4
1940-----	20.0	3.6	3.6	-----	16.4	7.9	2.2	.6	1.2	4.1	.5
1941-----	20.0	3.7	3.7	-----	16.3	7.7	2.2	.5	1.1	4.1	.7
1942-----	19.5	3.6	3.6	-----	15.9	7.4	2.2	.4	1.1	4.1	.7
1943-----	18.5	3.5	3.5	-----	15.0	7.4	1.7	.2	1.1	3.9	.6
1944-----	17.3	3.5	3.5	-----	13.8	7.3	1.5	.2	1.0	3.3	.6
1945-----	16.4	3.9	3.9	-----	12.5	7.0	1.2	.1	.8	2.9	.5

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>\*</sup> Less than \$50 million.<sup>†</sup> Revised.

<sup>1</sup> Figures represent par values with the following exceptions: (1) The holdings of commercial and mutual savings banks of securities of Federal instrumentalities not guaranteed by the United States and of State and local governments, territories, and possessions are book values, (2) the holdings of these securities by individuals are residuals, and so deviate from par values in those cases where the figures for commercial and mutual savings banks are book values, (3) in the case of data which include United States savings bonds Series A-D, E, and F, the figures for these bonds represent current redemption values.

<sup>2</sup> Includes partnerships, personal trust accounts and unincorporated business.<sup>3</sup> Includes dealers and brokers and investments of foreign balances in this country.<sup>4</sup> Comprises trust, sinking, and investment funds of State and local governments, territories, and possessions.<sup>5</sup> Data on daily Treasury statement basis. Includes special issues to Federal agencies and trust funds, and excludes guaranteed securities held by the Treasury.

TABLE 95.—*Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1945, classified by tax status and by type of issuer*<sup>1</sup>[Par value.<sup>2</sup> In millions of dollars]

	Total all securities	Tax-exempt			Tax-able <sup>3</sup>	U. S. Government special issues to Federal agencies and trust funds
		Total	Wholly <sup>4</sup>	Partially <sup>4</sup>		
All interest-bearing securities:						
Total amount outstanding.....	274, 191	42, 847	17, 191	25, 655	212, 532	18, 812
Less securities held by:						
Federal agencies.....	4, 680	1, 449	525	924	2, 633	598
Federal trust funds <sup>6</sup> .....	20, 751	358	(*)	357	2, 179	18, 214
Federal Reserve banks.....	21, 792	873		873	20, 919	
State and local sinking funds.....	2, 074	1, 175	1, 135	40	899	
State and local trust and investment funds.....	5, 973	1, 873	1, 729	144	4, 100	
Territorial and insular sinking, trust, and investment funds.....	106	39	33	6	67	
Total securities held by governmental funds and Federal Reserve banks.....	55, 376	5, 767	3, 422	2, 345	30, 797	18, 812
Total privately held securities.....	218, 815	37, 080	13, 770	23, 310	181, 735	
Securities of the United States Government: <sup>7</sup>						
Total amount outstanding.....	256, 357	25, 842	196	25, 646	211, 703	18, 812
Less securities held by:						
Federal agencies.....	4, 184	959	35	924	2, 626	598
Federal trust funds <sup>6</sup> .....	20, 750	357		357	2, 179	18, 214
Federal Reserve banks.....	21, 792	873		873	20, 919	
State and local sinking funds.....	939	40		40	899	
State and local trust and investment funds.....	4, 244	144		144	4, 100	
Territorial and insular sinking, trust, and investment funds.....	73	6		6	67	
Total securities held by governmental funds and Federal Reserve banks.....	51, 982	2, 380	35	2, 345	30, 790	18, 812
Total privately held securities.....	204, 374	23, 461	161	23, 301	180, 913	
Securities of Federal instrumentalities guaranteed by the United States Government: <sup>7b</sup>						
Total amount outstanding.....	409	10		10	400	
Less securities held by:						
Federal agencies.....	6	(*)		(*)	6	
Total securities held by governmental funds.....	6	(*)		(*)	6	
Total privately held securities.....	403	9		9	394	
Securities of Federal instrumentalities not guaranteed by the United States Government:						
Total amount outstanding.....	1, 008	579	579		430	
Less securities held by:						
Federal agencies and trust funds.....	1	(*)	(*)		1	
Total securities held by governmental funds.....	1	(*)	(*)		1	
Total privately held securities.....	1, 007	579	579		429	

Footnotes at end of table.

TABLE 95.—*Estimated amount of interest-bearing securities issued by all governmental units in the United States outstanding on June 30, 1945, classified by tax status and by type of issuer*<sup>1</sup>—Continued[Par value.<sup>2</sup> In millions of dollars]

	Total all securities	Tax-exempt			Tax-able <sup>3</sup>	U. S. Government special issues to Federal agencies and trust funds
		Total	Wholly <sup>3</sup>	Partially <sup>4</sup>		
Securities of State and local governments:						
Total amount outstanding.....	16,293	16,293	16,293			
Less securities held by:						
Federal agencies and trust funds.....	489	489	489			
State and local sinking funds.....	1,135	1,135	1,135			
State and local trust and investment funds.....	1,729	1,729	1,729			
Territorial and insular trust and investment funds.....	2	2	2			
Total securities held by governmental funds.....	3,355	3,355	3,355			
Total privately held securities.....	12,938	12,938	12,938			
Securities of territories and possessions:						
Total amount outstanding.....	124	124	124			
Less securities held by:						
Federal trust funds.....	(*)	(*)	(*)			
Territorial and insular sinking funds.....	15	15	15			
Territorial and insular trust and investment funds.....	16	16	16			
Total securities held by governmental funds.....	31	31	31			
Total privately held securities.....	93	93	93			

NOTE.—Figures are rounded and will not necessarily add to totals.

SOURCE.—Estimates relating to States, localities, territories, and possessions are based in part on a questionnaire survey of State and local government debt and specified funds conducted by the Division of State and Local Government of the Bureau of the Census, Department of Commerce, and in part on a questionnaire survey of territorial and insular debt and specified funds conducted in recent years by the Division of Territories and Island Possessions of the Department of the Interior.

<sup>1</sup> Less than \$500,000.<sup>2</sup> See footnote 1 on p. 700.<sup>3</sup> In the case of data which include United States savings bonds Series A-D, E, and F, the figures for these bonds represent current redemption values.<sup>4</sup> Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax.<sup>5</sup> Securities the income from which is exempt only from the normal rates of the Federal income tax. In the case of partially tax-exempt (1) Treasury bonds and (2) United States savings bonds, interest derived from \$5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well as the normal rates of the Federal income tax.<sup>6</sup> Securities the income from which is subject to both the normal rates and the surtax rates of the Federal income tax.<sup>7</sup> Includes individual Indian trust funds<sup>8</sup> On basis of daily Treasury statement.<sup>9</sup> Excludes guaranteed securities held by the Treasury.

TABLE 96.—*Estimated amount of interest-bearing securities issued by all governmental tax status and by*  
[Par value.<sup>3</sup> In

June 30—	Grand total					U. S. Government <sup>2</sup>					
	Tax-exempt			Tax-able <sup>9</sup>	U. S. Govern-ment special issues <sup>10</sup>	Tax-exempt			Tax-able <sup>9</sup>	Specia-l issues <sup>10</sup>	
	Total	Whol-ly <sup>7</sup>	Par-tially <sup>8</sup>			Total	Whol-ly <sup>7</sup>	Par-tially <sup>8</sup>			
I. TOTAL AMOUNT											
1913.....	5,523	5,523	5,523			966	966				
1914.....	5,947	5,947	5,947			968	968				
1915.....	6,420	6,420	6,420			970	970				
1916.....	6,881	6,881	6,881			972	972				
1917.....	9,043	9,043	9,043			2,713	2,713				
1918.....	18,780	18,780	9,181	9,599		11,986	2,387	9,599			
1919.....	32,777	32,777	10,185	22,593		25,234	2,828	22,407			
1920.....	32,253	32,253	11,303	20,950		24,063	3,112	20,950			
1921.....	32,721	32,721	11,917	20,804		23,739	2,935	20,804			
1922.....	33,405	33,405	12,989	20,416		22,710	2,294	20,416			
1923.....	33,782	33,782	14,069	19,713		22,007	2,294	19,713			
1924.....	33,973	33,973	15,286	18,688		20,981	2,294	18,688			
1925.....	34,681	34,586	16,645	17,941	95	20,211	2,175	17,941			95
1926.....	34,856	34,652	17,636	17,016	204	19,384	2,164	17,016			204
1927.....	34,935	34,576	18,846	15,730	359	18,253	2,164	15,730			359
1928.....	35,044	34,582	19,892	14,690	462	17,318	2,166	14,690			462
1929.....	35,428	34,821	20,957	13,864	607	16,639	2,168	13,864			607
1930.....	35,943	35,179	23,606	11,573	764	15,922	3,585	11,573			764
1931.....	37,627	37,335	25,521	11,814	291	16,520	4,414	11,814			291
1932.....	40,431	40,123	28,055	12,068	309	19,161	6,785	12,068			309
1933.....	43,524	43,201	31,176	12,025	323	22,158	9,810	12,025			323
1934.....	48,321	47,925	32,958	14,967	396	26,480	11,798	14,286			396
1935.....	53,283	52,650	34,446	18,204	633	27,645	12,931	14,081			633
1936.....	59,383	58,757	36,554	22,202	1	626	32,989	14,879	17,484		- 626
1937.....	62,020	60,459	35,034	25,425	3	1,558	35,800	13,507	20,735		1,558
1938.....	63,001	60,320	32,278	28,042	6	2,676	36,576	10,817	23,084		2,676
1939.....	67,362	63,583	30,873	32,710	9	3,770	39,886	9,030	27,086		3,770
1940.....	70,117	65,327	30,240	35,087	15	4,775	42,376	8,142	29,459		4,775
1941.....	76,954	62,855	26,823	36,032	7,979	6,120	48,387	4,903	30,161	7,203	6,120
1942.....	98,244	58,594	25,498	33,096	31,766	7,885	71,968	4,260	30,072	29,752	7,885
1943.....	159,858	55,322	23,052	32,270	93,665	10,871	135,380	3,050	29,622	91,837	10,871
1944.....	219,827	47,326	19,837	27,489	158,214	14,287	199,543	1,414	26,721	157,121	14,287
1945.....	274,191	42,847	17,191	25,655	212,532	18,812	256,357	196	23,640	211,703	18,812

## II. TOTAL AMOUNT HELD BY GOVERNMENTAL

a. 1913-36: EXCLUDES HOLDINGS BY TRUST AND INVESTMENT

						(*)	(*)					
1913.....	621	621	621	-----	-----	1	1	-----	-----	-----	-----	-----
1914.....	671	671	671	-----	-----	9	9	-----	-----	-----	-----	-----
1915.....	745	745	745	-----	-----	59	59	-----	-----	-----	-----	-----
1916.....	853	853	853	-----	-----	68	68	-----	-----	-----	-----	-----
1917.....	929	929	929	-----	-----	346	62	284	-----	-----	-----	-----
1918.....	1,353	1,353	1,069	284	-----	771	30	741	-----	-----	-----	-----
1919.....	1,961	1,961	1,220	741	-----	586	32	554	-----	-----	-----	-----
1920.....	1,833	1,833	1,279	554	-----	617	30	588	-----	-----	-----	-----
1921.....	1,894	1,894	1,307	588	-----	987	25	962	-----	-----	-----	-----
1922.....	2,455	2,455	1,493	962	-----	521	21	500	-----	-----	-----	-----
1923.....	2,131	2,131	1,631	500	-----	824	16	809	-----	-----	-----	-----
1924.....	2,561	2,561	1,753	809	-----	95	883	13	774	-----	95	-----
1925.....	2,767	2,671	1,897	774	-----	204	1,043	13	826	-----	204	-----
1926.....	3,078	2,874	2,048	826	-----	359	1,129	13	757	-----	359	-----
1927.....	3,270	2,911	2,154	757	-----	462	1,100	14	624	-----	462	-----
1928.....	3,355	2,893	2,269	624	-----	607	1,161	14	540	-----	607	-----
1929.....	3,662	2,955	2,415	540	-----	764	1,619	354	501	-----	764	-----
1930.....	4,157	3,393	2,892	501	-----	291	1,138	481	366	-----	291	-----
1931.....	3,400	3,109	2,743	366	-----	309	2,441	1,440	692	-----	309	-----
1932.....	3,970	3,661	2,969	692	-----	323	2,740	1,658	758	-----	323	-----
1933.....	4,313	3,989	3,231	758	-----	396	3,816	2,195	1,225	-----	396	-----
1934.....	5,883	5,487	4,126	1,361	-----	633	4,143	2,282	1,228	-----	633	-----
1935.....	7,263	6,630	5,036	1,594	-----	626	4,444	2,260	1,558	-----	626	-----
1936.....	7,661	7,035	5,100	1,935	-----	-----	-----	-----	-----	-----	-----	-----



units in the United States outstanding on June 30, 1913 through 1945, classified by type of issuer <sup>1</sup>

millions of dollars

Federal instrumentalities: Guaranteed issues <sup>4</sup> <sup>5</sup>				Federal instrumentalities: Non- guaranteed issues <sup>6</sup>				State, local, and territorial governments		
Total	Tax-exempt		Tax- able <sup>3</sup>	Total	Tax-exempt		Tax- able <sup>3</sup>	Wholly tax-exempt <sup>7</sup>		
	Wholly <sup>7</sup>	Partially <sup>8</sup>			Wholly <sup>7</sup>	Partially <sup>8</sup>		Total	Issues of States and local- ities	Issues of Ter- ritories and posses- sions

## OUTSTANDING

								4,557	4,528	28
								4,979	4,949	30
								5,450	5,417	33
								5,909	5,875	34
								6,330	6,290	40
								6,683	6,643	40
				111	111			7,083	7,042	41
				460	274	186		7,790	7,746	44
				401	401			8,532	8,476	56
				450	450			9,965	9,893	72
				730	730			10,713	10,598	115
				1,062	1,062			11,761	11,633	128
				1,231	1,231			12,964	12,830	134
				1,506	1,506			13,813	13,664	149
				1,659	1,659			14,893	14,735	158
				1,789	1,789			15,860	15,699	161
				1,866	1,866			16,922	16,760	162
				1,867	1,867			18,150	17,985	165
				1,871	1,871			19,222	19,060	162
				1,885	1,885			19,490	19,330	160
				1,780	1,780			19,672	19,517	155
				1,694	1,694			18,973	18,823	150
				2,187	2,187			19,116	18,972	144
				2,399	2,399			19,357	19,212	145
				2,319	2,318		1	19,298	19,152	146
				2,257	2,229	25	3	19,310	19,164	146
				2,262	2,151	106	5	19,761	19,611	150
				2,265	2,082	175	8	20,044	19,891	153
				2,199	2,054	134	11	20,007	19,860	147
				2,200	1,913	161	126	19,517	19,379	138
				2,210	1,721	109	380	18,534	18,406	128
				1,499	1,467	55	329	17,314	17,194	120
				1,454	1,108		346	16,417	16,293	124
				1,008	579		430			
681		681								
4,123		4,123								
4,718		4,718								
4,665		4,665	(*)							
4,853		4,852	1							
5,450		5,449	1							
5,498		5,494	4							
6,360		5,710	650							
4,549		2,915	1,634							
4,092		2,593	1,499							
1,516		768	748							
409		10	400							

## FUNDS AND FEDERAL RESERVE BANKS

## FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS

								621	620	1
								670	669	1
								736	735	1
								794	793	1
								861	860	1
								950	949	1
				57	57			1,053	1,052	1
				137	137			1,081	1,080	1
				166	166			1,094	1,090	4
				183	183			1,329	1,328	1
				139	139			1,508	1,506	2
				102	102			1,634	1,627	7
				103	103			1,762	1,753	9
				122	122			1,904	1,889	15
				131	131			2,037	2,020	17
				104	104			2,151	2,139	12
				104	104			2,296	2,281	15
				105	105			2,432	2,419	13
				106	106			2,156	2,142	14
				106	106			1,423	1,400	23
				106	106			1,467	1,443	24
				317	317			1,614	1,589	25
				928	928			1,826	1,800	26
				919	919			1,921	1,895	26
136		136								
366		366								
377		377								

TABLE 96.—*Estimated amount of interest-bearing securities issued by all governmental tax status and by*[Par value.<sup>a</sup> In

June 30—	Grand total					U. S. Government					
	Total	Tax-exempt			Tax- able <sup>9</sup>	U. S. Govern- ment special issues <sup>10</sup>	Total	Tax-exempt		Tax- able <sup>9</sup>	Special issues <sup>10</sup>
		Total	Whol- ly <sup>7</sup>	Par- tially <sup>8</sup>				Whol- ly <sup>7</sup>	Par- tially <sup>8</sup>		

## II. TOTAL AMOUNT HELD BY GOVERNMENTAL

b. 1937-45: INCLUDES HOLDINGS BY TRUST AND INVESTMENT

1937.....	11,560	10,002	7,066	2,936	-----	1,558	6,038	1,907	2,573	-----	1,558
1938.....	12,926	10,250	7,220	3,030	-----	2,676	7,299	1,918	2,705	-----	2,676
1939.....	14,066	10,295	7,068	3,227	(*)	3,770	8,438	1,726	2,941	-----	3,770
1940.....	15,274	10,500	6,606	3,894	(*)	4,775	9,597	1,214	3,608	-----	4,775
1941.....	16,678	10,194	6,435	3,759	364	6,120	10,796	833	3,487	356	6,120
1942.....	19,573	9,911	6,353	3,558	1,776	7,885	13,602	687	3,326	1,704	7,885
1943.....	27,900	8,701	5,429	3,272	8,329	10,871	22,522	340	3,228	8,084	10,871
1944.....	41,282	6,785	4,150	2,636	20,209	14,287	37,036	84	2,635	20,029	14,287
1945.....	55,376	5,767	3,422	2,345	30,797	18,812	51,982	35	2,345	30,790	18,812

## II-A. HELD BY FEDERAL

1913.....	(*)	(*)	(*)	-----	-----	(*)	(*)	-----	-----	-----	-----
1914.....	1	1	1	-----	-----	1	1	-----	-----	-----	-----
1915.....	1	1	1	-----	-----	1	1	-----	-----	-----	-----
1916.....	2	2	2	-----	-----	2	2	-----	-----	-----	-----
1917.....	2	2	2	-----	-----	2	2	-----	-----	-----	-----
1918.....	148	148	61	87	-----	91	4	87	-----	-----	-----
1919.....	616	616	142	474	-----	479	5	474	-----	-----	-----
1920.....	411	411	173	238	-----	245	7	238	-----	-----	-----
1921.....	541	541	191	351	-----	358	8	351	-----	-----	-----
1922.....	571	571	147	424	-----	432	8	424	-----	-----	-----
1923.....	521	521	111	410	-----	419	9	410	-----	-----	-----
1924.....	496	496	113	384	-----	393	10	384	-----	-----	-----
1925.....	652	556	132	424	-----	95	530	10	424	-----	95
1926.....	789	585	141	444	-----	204	658	10	444	-----	204
1927.....	863	504	114	390	-----	359	759	10	390	-----	359
1928.....	969	507	115	392	-----	462	865	11	392	-----	462
1929.....	1,050	443	116	327	-----	607	945	11	327	-----	607
1930.....	1,135	371	160	211	-----	764	1,028	53	211	-----	764
1931.....	577	286	137	149	-----	291	470	30	149	-----	291
1932.....	714	405	125	280	-----	309	607	18	280	-----	309
1933.....	823	499	208	291	-----	323	691	76	291	-----	323
1934.....	1,938	1,542	675	867	-----	396	1,332	205	731	-----	396
1935.....	3,296	2,663	1,413	1,250	-----	633	1,656	139	884	-----	633
1936.....	3,677	3,051	1,486	1,565	-----	626	1,959	145	1,188	-----	626
1937.....	4,977	3,419	1,476	1,943	-----	1,558	3,251	113	1,580	-----	1,558
1938.....	6,176	3,500	1,483	2,017	-----	2,676	4,466	98	1,692	-----	2,676
1939.....	7,161	3,390	1,356	2,034	(*)	3,770	5,605	86	1,748	-----	3,770
1940.....	8,403	3,628	1,409	2,219	(*)	4,775	6,803	86	1,942	-----	4,775
1941.....	10,006	3,713	1,564	2,154	168	6,120	8,225	58	1,837	160	6,120
1942.....	12,182	3,625	1,595	2,030	671	7,885	10,340	53	1,800	602	7,885
1943.....	15,518	2,880	1,226	1,654	1,766	10,871	14,091	34	1,641	1,544	10,871
1944.....	19,865	2,270	803	1,468	3,307	14,287	18,920	35	1,468	3,130	14,287
1945.....	25,431	1,806	525	1,282	4,813	18,812	24,934	35	1,281	4,806	18,812

Footnotes on pp. 700 and 701.

units in the United States outstanding on June 30, 1913 through 1945, classified by type of issuer <sup>1</sup>—Continued

millions of dollars]

Federal instrumentalities: Guaranteed issues <sup>4 5</sup>				Federal instrumentalities: Non- guaranteed issues <sup>6</sup>				State, local, and territorial governments		
Total	Tax-exempt		Tax- able <sup>9</sup>	Total	Tax-exempt		Tax- able <sup>9</sup>	Wholly tax-exempt <sup>7</sup>		
	Wholly <sup>7</sup>	Par- tially <sup>8</sup>			Wholly <sup>7</sup>	Par- tially <sup>8</sup>		Total	Issues of States and local- ities	Issues of ter- ritories and posses- sions

# FUNDS AND FEDERAL RESERVE BANKS—Continued

## FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS

363	-----	363	-----	835	835	-----	-----	4,324	4,298	26
325	-----	325	-----	847	847	-----	-----	4,455	4,432	23
286	-----	286	(*)	844	844	-----	-----	4,498	4,469	29
286	-----	286	(*)	844	844	-----	-----	4,548	4,514	34
274	-----	272	2	814	808	-----	6	4,793	4,766	27
288	-----	232	55	824	807	-----	17	4,859	4,835	24
286	-----	44	242	560	557	-----	3	4,531	4,509	22
180	-----	(*)	180	186	186	-----	-----	3,880	3,848	31
6	-----	(*)	6	1	(*)	-----	1	3,387	3,355	31

## AGENCIES, AND TRUST FUNDS <sup>11</sup>

-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	57	57	-----	-----	-----	-----	-----
-----	-----	-----	-----	137	137	-----	-----	-----	-----	-----
-----	-----	-----	-----	166	166	-----	-----	-----	-----	-----
-----	-----	-----	-----	183	183	-----	-----	-----	-----	-----
-----	-----	-----	-----	139	139	-----	-----	-----	-----	-----
-----	-----	-----	-----	102	102	-----	-----	-----	-----	-----
-----	-----	-----	-----	103	103	-----	-----	-----	-----	-----
-----	-----	-----	-----	122	122	-----	-----	-----	-----	-----
-----	-----	-----	-----	131	131	-----	-----	-----	-----	-----
-----	-----	-----	-----	104	104	-----	-----	-----	-----	-----
-----	-----	-----	-----	104	104	-----	-----	-----	-----	-----
-----	-----	-----	-----	105	105	-----	-----	-----	-----	-----
-----	-----	-----	-----	106	106	-----	-----	1	1	-----
-----	-----	-----	-----	106	106	-----	-----	1	1	-----
-----	-----	-----	-----	106	106	-----	-----	1	1	-----
-----	-----	-----	-----	106	106	-----	-----	-----	-----	-----
-----	-----	-----	-----	106	106	-----	-----	26	26	-----
136	-----	136	-----	317	317	-----	-----	153	153	-----
366	-----	366	-----	928	928	-----	-----	346	346	-----
377	-----	377	-----	919	919	-----	-----	422	422	-----
363	-----	363	-----	835	835	-----	-----	528	528	-----
325	-----	325	-----	847	847	-----	-----	538	538	-----
286	-----	286	(*)	844	844	-----	-----	426	426	-----
277	-----	277	(*)	844	844	-----	-----	479	479	-----
269	-----	267	2	814	808	-----	6	697	697	-----
283	-----	230	52	824	807	-----	17	735	735	-----
232	-----	13	219	560	557	-----	3	634	634	-----
178	-----	(*)	177	186	186	-----	-----	582	582	(*)
6	-----	(*)	6	1	(*)	-----	1	490	489	(*)

TABLE 96.—*Estimated amount of interest-bearing securities issued by all governmental tax status and by*[Par value.<sup>2</sup> In

June 30—	Total	U. S. Government				Federal instrumentalities: Guaranteed issues		
		Total	Wholly tax- exempt <sup>1</sup>	Partially tax- exempt <sup>2</sup>	Taxable <sup>3</sup>	Total	Partially tax- exempt <sup>2</sup>	Taxable <sup>3</sup>

## II-B. HELD BY FEDERAL RESERVE BANKS

1913								
1914								
1915	8	8	8					
1916	57	57	57					
1917	66	66	66					
1918	255	255	58	197				
1919	292	292	25	267				
1920	341	341	25	316				
1921	259	259	22	237				
1922	555	555	17	538				
1923	102	102	12	90				
1924	431	431	6	425				
1925	353	353	3	350				
1926	385	385	3	382				
1927	370	370	3	367				
1928	235	235	3	232				
1929	216	216	3	213				
1930	591	591	301	290				
1931	668	668	451	217				
1932	1,784	1,784	1,422	362				
1933	1,998	1,998	1,582	416				
1934	2,432	2,432	1,990	442				
1935	2,433	2,433	2,143	290				
1936	2,430	2,430	2,115	315				
1937	2,526	2,526	1,794	732				
1938	2,564	2,564	1,820	744				
1939	2,551	2,551	1,640	911				
1940	2,466	2,458	1,128	1,330	9	9		
1941	2,184	2,179	775	1,208	196	5	5	
1942	2,645	2,640	634	1,179	827	5	2	3
1943	7,202	7,149	306	1,292	5,551	54	31	23
1944	14,901	14,899	49	943	13,906	2		2
1945	21,792	21,792		873	20,919			

Footnotes on pp. 700 and 701.



units in the United States outstanding on June 30, 1913 through 1945, classified by type of issuer <sup>1</sup>—Continued

millions of dollars]

June 30—	Total	U. S. Government			States, counties, cities, etc. (wholly tax-exempt) <sup>7</sup>	Territories and possessions (wholly tax-exempt) <sup>7</sup>
		Total	Partially tax-exempt <sup>8</sup>	Taxable <sup>9</sup>		

#### II-C. HELD IN SINKING FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS

1913.....	621				620	1
1914.....	670				669	1
1915.....	736				735	1
1916.....	794				793	1
1917.....	861				860	1
1918.....	950				949	1
1919.....	1,053				1,052	1
1920.....	1,081				1,080	1
1921.....	1,094				1,090	4
1922.....	1,329				1,328	1
1923.....	1,508				1,506	2
1924.....	1,634				1,627	7
1925.....	1,762				1,753	9
1926.....	1,904				1,889	15
1927.....	2,037				2,020	17
1928.....	2,151				2,139	12
1929.....	2,296				2,281	15
1930.....	2,431				2,418	13
1931.....	2,155				2,141	14
1932.....	1,472	50	50		1,399	23
1933.....	1,492	51	51		1,417	24
1934.....	1,513	52	52		1,436	25
1935.....	1,534	54	54		1,454	26
1936.....	1,554	55	55		1,473	26
1937.....	1,578	61	61		1,491	26
1938.....	1,583	59	59		1,501	23
1939.....	1,612	61	61		1,530	21
1940.....	1,637	77	77		1,535	25
1941.....	1,680	108	108		1,549	23
1942.....	1,700	151	91	60	1,525	24
1943.....	1,836	347	78	269	1,475	14
1944.....	2,177	828	50	778	1,340	9
1945.....	2,097	947	42	905	1,135	15

#### II-D. HELD IN TRUST AND INVESTMENT FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS <sup>12</sup>

1937.....	2,479	200	200		2,279	
1938.....	2,603	210	210		2,393	
1939.....	2,742	221	221		2,513	8
1940.....	2,768	259	259		2,500	9
1941.....	2,808	284	284		2,520	4
1942.....	3,046	471	256	215	2,575	
1943.....	3,344	937	217	720	2,400	8
1944.....	4,339	2,390	175	2,215	1,927	22
1945.....	6,056	4,309	148	4,161	1,731	16

TABLE 96.—Estimated amount of interest-bearing securities issued by all governmental tax status and by

[Par value.<sup>2</sup> In

June 30—	Grand total					U. S. Government					
	Total	Tax-exempt			Tax- able <sup>9</sup>	U. S. Govern- ment special issues <sup>10</sup>	Total	Tax-exempt		Tax- able <sup>9</sup>	Special issues <sup>10</sup>
		Total	Whol- ly <sup>7</sup>	Par- tially <sup>8</sup>				Whol- ly <sup>7</sup>	Par- tially <sup>8</sup>		

## III. PRIVATELY HELD

## a. 1913-36: INCLUDES HOLDINGS BY TRUST AND INVESTMENT

1913	4,902	4,902	4,902	-----	-----	-----	966	966	-----	-----	-----
1914	5,276	5,276	5,276	-----	-----	-----	967	967	-----	-----	-----
1915	5,675	5,675	5,675	-----	-----	-----	961	961	-----	-----	-----
1916	6,028	6,028	6,028	-----	-----	-----	913	913	-----	-----	-----
1917	8,114	8,114	8,114	-----	-----	-----	2,645	2,645	-----	-----	-----
1918	17,427	17,427	8,112	9,315	-----	-----	11,640	2,325	9,315	-----	-----
1919	30,816	30,816	8,965	21,852	-----	-----	24,463	2,798	21,666	-----	-----
1920	30,420	30,420	10,024	20,396	-----	-----	23,476	3,080	20,396	-----	-----
1921	30,827	30,827	10,610	20,216	-----	-----	23,122	2,905	20,216	-----	-----
1922	30,950	30,950	11,496	19,454	-----	-----	21,723	2,269	19,454	-----	-----
1923	31,651	31,651	12,438	19,213	-----	-----	21,486	2,273	19,213	-----	-----
1924	31,412	31,412	13,533	17,879	-----	-----	20,157	2,278	17,879	-----	-----
1925	31,914	31,914	14,748	17,167	-----	-----	19,328	2,162	17,167	-----	-----
1926	31,778	31,778	15,588	16,190	-----	-----	18,341	2,151	16,190	-----	-----
1927	31,665	31,665	16,692	14,973	-----	-----	17,124	2,151	14,973	-----	-----
1928	31,689	31,689	17,623	14,066	-----	-----	16,218	2,152	14,066	-----	-----
1929	31,866	31,866	18,542	13,324	-----	-----	15,478	2,154	13,324	-----	-----
1930	31,786	31,786	20,714	11,072	-----	-----	14,303	3,231	11,072	-----	-----
1931	34,227	34,227	22,778	11,448	-----	-----	15,382	3,933	11,448	-----	-----
1932	36,461	36,461	25,086	11,376	-----	-----	16,720	5,345	11,376	-----	-----
1933	39,211	39,211	27,945	11,267	-----	-----	19,418	8,152	11,267	-----	-----
1934	42,438	42,438	28,832	13,606	-----	-----	22,664	9,603	13,061	-----	-----
1935	46,020	46,020	29,410	16,610	-----	-----	23,502	10,649	12,853	-----	-----
1936	51,722	51,722	31,454	20,267	1	-----	28,545	12,619	15,926	-----	-----

## b. 1937-45: EXCLUDES HOLDINGS BY TRUST AND INVESTMENT

1937	50,460	50,457	27,968	22,489	3	-----	29,762	11,600	18,162	-----	-----
1938	50,075	50,070	25,058	25,012	6	-----	29,277	8,899	20,379	-----	-----
1939	53,296	53,288	23,805	29,483	9	-----	31,448	7,304	24,145	-----	-----
1940	54,843	54,827	23,634	31,193	15	-----	32,779	6,928	25,851	-----	-----
1941	60,276	52,661	20,358	32,273	7,615	-----	37,591	4,070	26,674	6,847	-----
1942	78,671	48,683	19,145	29,538	29,990	-----	58,366	3,573	26,746	28,048	-----
1943	131,958	46,621	17,623	28,998	85,336	-----	112,858	2,710	26,394	83,754	-----
1944	178,545	40,540	15,687	24,854	138,005	-----	162,507	1,330	24,086	137,091	-----
1945	218,815	37,080	13,770	23,310	181,735	-----	204,374	161	23,301	180,913	-----

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>\*</sup>Less than \$500,000.

<sup>1</sup> The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers in that the former excludes noninterest-bearing debt. The "total privately held securities" differs from the net indebtedness of the borrowers in several additional respects. The former is derived by deducting from the total amount of interest-bearing securities outstanding the amount of such securities held by Federal agencies, Federal Reserve banks, and by public sinking, trust, and investment funds. Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets.

<sup>2</sup> In the case of data which include United States savings bonds, Series A-D, E, and F, the figures for these bonds represent current redemption values.

<sup>3</sup> Data for June 30, 1920, to date on daily Treasury statement basis; data for prior years on Public Debt accounts basis.

<sup>4</sup> On basis of daily Treasury statement.

units in the United States outstanding on June 30, 1913 through 1945, classified by type of issuer <sup>1</sup>—Continued

millions of dollars

Federal instrumentalities: Guaranteed issues				Federal instrumentalities: Non- guaranteed issues				State, local, and territorial governments		
Total	Tax-exempt		Tax- able <sup>9</sup>	Total	Tax-exempt		Tax- able <sup>9</sup>	Wholly tax-exempt <sup>7</sup>		
	Wholly <sup>7</sup>	Par- tially <sup>8</sup>			Wholly <sup>7</sup>	Par- tially <sup>8</sup>		Total	Issues of States and local- ities	Issues of Ter- ritories and posses- sions

## SECURITIES

### FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS

								3,936	3,908	27
								4,309	4,280	29
								4,714	4,682	32
								5,115	5,082	32
								5,469	5,430	39
				54	54			5,733	5,694	39
				323	137	186		6,030	5,990	40
				235	235			6,709	6,666	43
				267	267			7,438	7,386	52
				591	591			8,636	8,565	71
				960	960			9,205	9,092	113
				1,128	1,128			10,127	10,006	121
				1,384	1,384			11,202	11,077	125
				1,528	1,528			11,909	11,775	134
				1,685	1,685			12,856	12,715	141
				1,762	1,762			13,709	13,560	149
				1,762	1,762			14,626	14,479	147
				1,765	1,765			15,718	15,566	152
				1,779	1,779			17,066	16,918	148
				1,674	1,674			18,067	17,930	137
				1,588	1,588			18,205	18,074	131
				1,870	1,870			17,359	17,234	125
				1,471	1,471			17,290	17,172	118
				1,400	1,399		1	17,436	17,317	119
545		545								
3,757		3,757								
4,341		4,341								

### FUNDS OF STATES, LOCALITIES, TERRITORIES, AND POSSESSIONS

4,302		4,302	(*)	1,422	1,394	25	3	14,974	14,854	120
4,528		4,527	1	1,415	1,304	106	5	14,855	14,732	123
5,164		5,163	1	1,421	1,238	175	8	15,263	15,142	121
5,212		5,208	4	1,355	1,210	134	11	15,496	15,377	119
6,086		5,438	648	1,385	1,104	161	120	15,214	15,094	120
4,261		2,683	1,579	1,386	914	109	363	14,658	14,544	114
3,806		2,549	1,257	1,292	910	55	326	14,003	13,897	106
1,335		768	568	1,268	923		346	13,434	13,346	89
403		9	394	1,007	579		429	13,030	12,938	93

<sup>8</sup> Guaranteed securities consist of Commodity Credit Corporation notes, Home Owners' Loan Corporation bonds (including those guaranteed as to interest only), Reconstruction Finance Corporation notes, Tennessee Valley Authority bonds, Federal Public Housing Authority (formerly United States Housing Authority) notes, Federal Farm Mortgage Corporation bonds, and Federal Housing Administration debentures. Excludes stocks, interagency loans, and securities held by the Treasury.

<sup>9</sup> Includes Electric Home and Farm Authority notes, Federal intermediate credit bank debentures, Federal land bank bonds (both those issued by the individual banks and the consolidated series), Federal National Mortgage Association notes, home loan bank debentures, War Finance Corporation bonds (World War I), and joint stock land bank bonds. Excludes stocks and interagency loans.

<sup>7</sup> See footnote 3 on p. 693.

<sup>8</sup> See footnote 4 on p. 693.

<sup>9</sup> See footnote 5 on p. 693.

<sup>10</sup> Special issues to Federal agencies and trust funds.

<sup>11</sup> Excludes Federal Reserve Banks. Includes individual Indian trust funds.

<sup>12</sup> Data for earlier years not available.

## CUSTOMS STATISTICS

TABLE 97.—Customs collections<sup>1</sup> and payments, by districts, fiscal year 1945

District	Collections <sup>1</sup>				Payments		Expenses (net obligations)	Cost to collect \$100
	Duties and miscellaneous collections	Department of Justice	Bureau of Internal Re- venue	Other col- lections	Total	Excessive duties and other re- funds		
Alaska	\$25,708	\$336		\$53	\$26,097	\$558	\$92,581	\$354.76
Arizona	3,076,549	7,360	\$41,041	670	3,125,619	6,068	221,309	7.08
Buffalo	11,830,716	19,061	381,189	1,119	12,225,051	230,217	570,211	4.66
Chicago	9,586,088		16,591,641	3,951	26,181,680	228,798	383,080	1.46
Colorado	168,293		227,062	100	395,454	*	20,541	5.19
Connecticut	826,384		1,745,417	591	2,572,392	8,732	71,153	2.76
Dakota	1,449,545	7,024	15	32	1,456,616	112,603	227,922	15.64
Duluth and Superior	6,451,500	1,548		175	6,553,301	130,785	144,398	2.20
El Paso	2,582,454	24,000	298,081	11,895	2,916,430	23,633	242,534	8.32
Florida	14,041,130	108,560	2,759,710	16,102	16,925,502	1,105,209	663,332	3.92
Galveston	1,247,342	1,025	2,089,919	17,866	3,356,152	11,571	247,910	7.39
Georgia	1,661,867	1,322	734,933	7,921	1,706,044	49,645	122,241	7.17
Hawaii	662,964	274	1,188,019	962	1,852,219	8,190	209,723	11.32
Indiana	3,152,403		10,804,326	505	13,957,248	10,920	44,199	.32
Kentucky	2,825,747		11,219,266	1,529	14,045,542	37,510	39,562	.28
Laredo	5,234,036	30,042	67,265	2,965	5,340,337	100,154	557,205	10.43
Los Angeles	6,286,839	17,690	12,342,102	13,031	18,639,062	248,005	905,091	13.61
Maine and New Hampshire	3,974,930	17,015		11,064	4,003,009	46,142	545,064	13.61
Maryland	4,233,623	23,591	5,356,600	60,191	9,674,006	89,266	735,011	7.60
Massachusetts	68,796,323	14,568	8,354,792	27,587	77,193,269	549,158	1,324,860	1.72
Michigan	9,510,452	26,404	12,769,250	2,110	22,308,215	73,269	812,783	3.67
Minnesota	1,255,952	16	1,875,104	214	3,131,286	56,287	102,513	3.27
Mobile	2,659,969	7,809	1,072,420	21,697	3,761,896	8,612	122,908	11.71
Montana and Idaho	331,569	2,828	641,308	47	975,751	2,922	114,268	8.98
New Orleans	8,222,035	26,468	1,622,371	39,996	9,910,869	157,827	890,188	8.98
New York	94,540,880	59,881	52,094,550	176,873	146,872,184	2,585,004	8,846,450	6.02
North Carolina	7,501,868	8	201,227	351	7,703,454	6,282	69,640	.90
Ohio	7,536,337	1,460	13,604,088	5,165	21,137,055	129,213	222,039	1.05
Omaha	162,052		139,698	24	291,685	1,772	14,222	4.88
Oregon	2,222,747	1,026	993,658	7,463	3,223,934	29,039	194,191	6.02
Philadelphia	37,552,603	15,601	10,563,400	15,486	48,177,089	1,110,860	1,149,693	2.39
Pittsburgh	6,569,972		14,594,749	1,318	21,166,039	94,939	68,535	1.33
Rhode Island	7,504,325	48	123,242	374	7,627,989	6,513	82,202	1.08
Rochester	852,733	2,024	291,379	479	1,126,615	73,738	64,186	8.36
Sabine	25,244	16	79	1,831	27,170	139	347,067	238.98
St. Lawrence	2,106,222	22,867	59,138	1,108	2,188,394	12,220	347,067	15.86



St. Louis.....	1,579,978	1,839,187	3,047	3,422,212	25,779	44,400	99,942	2.92
San Diego.....	1,434,215	10,904	2,662	1,447,828	21,321	-----	267,688	18.49
San Francisco.....	5,063,788	9,878	40,817	14,714,815	123,591	5,842	823,126	5.59
South Carolina.....	232,090	32	981	465,643	9,132	-----	48,281	10.37
Tennessee.....	1,917,052	335,062	860	2,252,973	4,372	-----	32,379	1.44
Vermont.....	2,306,502	18,964	79	2,437,514	15,609	97	405,997	16.66
Virginia.....	6,431,352	111,969	33,299	6,544,157	38,265	893	314,939	4.81
Washington.....	2,862,243	71,994	21,899	7,010,300	29,087	90	705,683	10.07
Wisconsin.....	836,735	4,112,765	951	1,555,525	11,402	23,224	69,431	4.46
Puerto Rico.....	35,399	717,840	8,286	47,801	1,103	-----	-----	-----
Items not assigned to districts.....	-----	3,182	248	248	-----	-----	3,179,613	-----
Total.....	358,138,757	506,735	565,252	561,101,058	7,621,905	6,895,847	26,211,092	4.67
Collections deposited to credit of Government of Puerto Rico.....	2,392,851	-----	-----	2,392,851	-----	-----	-----	-----
Grand total.....	360,531,608	506,735	565,252	563,493,909	7,621,905	6,895,847	26,211,092	-----

<sup>1</sup> Customs receipts, on the basis of reports of collecting officers, are credited to the districts in which the collections are made. Receipts in the various districts do not indicate the tax burden of the respective districts, since the taxes may be eventually borne by persons in other districts. Customs duties and sale of insular government property for Puerto Rico (\$2,392,851) are deposited to the credit of the Government of Puerto Rico.

TABLE 98.—*Values of dutiable and taxable imports for consumption and estimated duties and taxes collected by tariff schedules, fiscal years 1944 and 1945*

Tariff schedule	Value		Estimated duties and import taxes <sup>1</sup>		Percentage increase or decrease (—)	
	1944	1945	1944	1945	Value	Duties
1. Chemicals, oils, and paints.....	\$46, 127, 607	\$68, 176, 585	\$8, 231, 619	\$9, 047, 324	47. 8	9. 9
2. Earths, earthenware, and glassware.....	15, 163, 402	12, 346, 021	3, 658, 577	3, 360, 887	-18. 6	-8. 1
3. Metals and manufactures.....	125, 565, 114	120, 015, 992	31, 731, 276	28, 367, 624	-4. 4	-10. 6
4. Wood and manufactures.....	32, 383, 363	40, 930, 219	2, 053, 049	2, 472, 772	26. 4	20. 4
5. Sugar, molasses, and manufactures.....	193, 712, 669	34, 264, 223	55, 040, 910	10, 319, 515	-82. 3	-81. 3
6. Tobacco and manufactures.....	53, 678, 266	82, 540, 931	23, 392, 211	29, 533, 752	53. 8	26. 3
7. Agricultural products and provisions.....	228, 137, 440	326, 845, 600	32, 391, 020	46, 748, 845	43. 3	44. 3
8. Spirits, wines, and other beverages.....	124, 616, 125	77, 513, 631	99, 712, 606	55, 316, 286	-37. 8	-44. 5
9. Cotton manufactures.....	9, 564, 816	12, 722, 722	2, 783, 667	2, 430, 697	33. 0	-12. 7
10. Flax, hemp, jute, and manufactures.....	16, 828, 851	14, 317, 694	2, 609, 259	3, 388, 064	-14. 9	29. 8
11. Wool and manufactures.....	210, 481, 438	182, 973, 406	129, 216, 967	116, 923, 295	-13. 1	-9. 5
12. Silk manufactures.....	581, 455	759, 309	287, 900	361, 616	30. 6	25. 6
13. Manufactures of rayon or other synthetic textiles.....	244, 547	457, 501	118, 066	264, 562	87. 1	124. 1
14. Pulp, paper and books.....	8, 055, 053	8, 265, 750	1, 124, 530	1, 171, 342	2. 6	4. 2
15. Sundries.....	123, 103, 927	127, 928, 909	20, 643, 281	24, 741, 609	3. 9	19. 9
Free list commodities taxable under the Revenue Act of 1932 and subsequent acts.....	60, 501, 903	87, 793, 057	5, 844, 516	8, 086, 972	45. 1	38. 4
Dutiable under Section 466, Tariff Act of 1930, etc.....	289, 878	1, 032, 940	1, 299, 429	551, 687	256. 3	-57. 5
Total.....	1, 249, 035, 854	1, 198, 884, 492	420, 138, 883	343, 086, 849	-4. 0	-18. 3

<sup>1</sup> Taxes collected on dutiable commodities under the revenue acts and the Sugar Act of 1937 are included in appropriate schedules.

TABLE 99.—*Estimated customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports and to value of all imports, calendar years 1935 through 1944 and by months from January 1944 to June 1945* <sup>1</sup>

[Dollars in thousands]

Year and month	Estimated duties (including taxes on imports)	Value of imports entered for consumption		Ratio of dutiable to total	Ratio of duties to value of—	
		Total	Dutiable		Dutiable imports	Total imports
Calendar year:				Percent	Percent	Percent
1935.....	\$357, 608	\$2, 038, 905	\$832, 423	40. 83	42. 96	17. 54
1936.....	408, 061	2, 423, 977	1, 038, 219	42. 83	39. 30	16. 83
1937.....	470, 505	3, 009, 852	1, 243, 534	41. 31	37. 84	15. 63
1938.....	301, 380	1, 949, 624	765, 964	39. 29	39. 36	15. 46
1939.....	328, 352	2, 276, 099	878, 050	38. 58	37. 40	14. 43
1940.....	318, 267	2, 540, 656	891, 835	35. 10	35. 69	12. 53
1941.....	438, 596	3, 222, 534	1, 191, 224	36. 97	36. 82	13. 61
1942.....	318, 490	2, 769, 556	1, 009, 679	36. 46	31. 54	11. 50
1943.....	391, 540	3, 387, 227	1, 207, 301	35. 64	32. 43	11. 56
1944.....	368, 234	3, 878, 071	1, 164, 561	30. 03	31. 62	9. 50
Month:						
1944—January.....	38, 398	314, 363	108, 886	34. 64	35. 26	12. 21
February.....	36, 920	304, 069	102, 657	33. 76	35. 96	12. 14
March.....	40, 621	357, 335	114, 541	32. 05	35. 47	11. 37
April.....	37, 487	355, 706	111, 538	31. 36	33. 61	10. 54
May.....	32, 648	372, 254	96, 172	25. 84	33. 95	8. 77
June.....	28, 475	322, 775	80, 929	25. 07	35. 19	8. 82
July.....	25, 498	288, 661	78, 711	27. 27	32. 89	8. 83
August.....	22, 026	297, 439	83, 547	28. 09	26. 36	7. 41
September.....	24, 228	278, 558	90, 586	32. 52	26. 75	8. 70
October.....	27, 940	330, 290	100, 721	30. 49	27. 74	8. 46
November.....	26, 880	323, 786	97, 305	30. 05	27. 62	8. 30
December.....	27, 119	332, 835	98, 969	29. 71	27. 40	8. 15
1945—January.....	34, 127	355, 200	112, 788	31. 75	30. 26	9. 61
February.....	24, 060	329, 697	92, 492	28. 05	26. 66	7. 48
March.....	30, 887	365, 631	109, 483	29. 94	28. 21	8. 45
April.....	32, 814	355, 877	117, 047	32. 89	28. 03	9. 22
May.....	35, 403	363, 712	108, 890	29. 94	32. 51	9. 73
June.....	31, 513	338, 847	108, 346	31. 97	29. 09	9. 30

NOTE.—Figures are rounded and will not necessarily add to totals.

<sup>1</sup> The amount of customs duties is calculated on the basis of reports of the Bureau of the Census showing the quantity and value of merchandise imported. Figures back to 1867 can be found in the annual reports for 1930, p. 523; 1932, p. 382; and corresponding tables in subsequent reports.

TABLE 100.—Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, for the calendar years 1935 through 1944 and by months from January 1944 through June 1945 <sup>1</sup>

[Dollars in thousands]

Year and month	Schedule 1.—Chemicals, oils, and paints					Schedule 2.—Earths, earthenware, and glassware					Schedule 3.—Metals and manufactures					Schedule 4.—Wood and manufactures				
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports
	Percent			Percent			Percent			Percent			Percent			Percent			Percent	
Calendar year:																				
1935.....	\$28,205	\$66,105	42.67	\$11,636	\$22,853	50.92	\$23,305	\$68,013	34.27	\$2,923	\$12,657	23.09								
1936.....	25,349	69,317	36.57	13,620	28,104	48.46	29,496	94,776	31.12	3,782	16,975	16.39								
1937.....	23,265	83,316	35.12	18,067	36,954	48.89	37,135	114,020	32.57	3,188	19,861	16.05								
1938.....	19,417	51,958	37.37	11,049	24,693	44.75	21,493	68,172	31.53	2,156	13,503	15.97								
1939.....	19,634	56,586	34.70	10,794	25,369	42.55	25,749	89,728	28.70	2,096	17,002	12.33								
1940.....	12,356	41,204	29.99	8,806	22,336	39.43	31,161	102,303	30.46	1,723	17,461	9.87								
1941.....	13,291	48,695	27.29	7,742	25,857	29.94	43,435	126,095	34.45	2,536	36,039	7.04								
1942.....	10,621	47,203	22.50	4,786	19,031	25.15	28,040	102,300	27.41	2,413	46,185	5.22								
1943.....	7,634	41,480	18.40	4,071	18,399	22.13	31,434	120,054	26.18	1,642	27,852	5.90								
1944.....	8,037	54,122	14.85	3,103	10,764	28.83	28,919	117,660	24.58	2,297	37,299	6.16								
Month:																				
1944—January.....	719	3,547	20.27	272	1,024	26.56	1,959	9,004	21.76	206	2,950	6.98								
February.....	603	3,042	19.82	211	823	25.64	3,480	12,655	27.50	179	2,665	6.72								
March.....	992	4,851	20.45	332	1,120	29.64	2,855	11,164	25.57	171	2,718	6.29								
April.....	569	3,612	15.75	233	759	30.70	2,293	9,797	23.41	163	2,593	6.29								
May.....	740	4,785	15.46	221	787	28.08	2,490	10,131	24.58	177	2,675	6.62								
June.....	559	3,799	14.71	210	699	30.04	2,539	10,435	24.33	179	2,923	6.12								
July.....	831	6,271	13.25	174	597	29.15	2,511	10,305	24.37	223	3,714	5.47								
August.....	604	5,115	11.81	76	296	25.68	1,655	7,675	21.56	190	3,471	5.39								
September.....	548	4,186	13.09	391	1,164	33.59	1,561	7,460	20.92	203	3,652	6.30								
October.....	683	5,126	13.32	330	1,100	30.00	1,800	7,772	23.16	230	3,463	6.36								
November.....	644	4,383	14.69	323	1,201	25.61	1,459	6,669	21.88	203	3,463	5.86								
December.....	545	5,404	10.09	331	1,133	29.21	4,315	14,593	29.57	187	2,952	6.33								
1945—January.....	740	4,582	16.15	169	709	23.84	4,477	7,482	19.74	158	2,600	6.08								
February.....	709	6,538	10.68	253	994	25.45	1,455	8,030	18.12	215	3,524	6.07								
March.....	708	5,249	13.49	289	1,151	25.11	2,202	11,655	18.89	214	3,524	6.10								
April.....	968	6,508	14.87	300	1,100	27.05	3,460	14,198	24.37	200	3,202	6.25								
May.....	1,040	5,981	17.39	310	1,138	27.24	3,008	11,586	25.96	218	3,517	6.20								
June.....	1,027	8,735	11.76	415	1,692	24.53	3,461	12,591	27.49	250	3,788	6.60								

Footnotes at end of table.





Calendar year:	Schedule 9.—Cotton manu- factures			Schedule 10.—Flax, hemp, lute, and manufactures			Schedule 11.—Wool and manu- factures			Schedule 12.—Silk manu- factures		
		Percent			Percent			Percent			Percent	
1935.....	\$10,852	\$27,136	39.99	\$15,083	\$62,430	24.16	\$23,510	\$28,857	81.47	\$3,557	\$6,039	58.90
1936.....	14,008	35,087	39.92	16,819	68,147	24.68	44,687	50,298	75.36	3,810	58.90	55.76
1937.....	17,155	44,052	38.94	19,029	77,656	24.50	51,617	82,560	62.52	4,756	8,736	64.44
1938.....	9,439	24,288	38.86	12,092	49,402	24.48	18,531	27,418	67.69	3,327	6,185	53.79
1939.....	9,841	27,284	36.07	10,829	54,765	19.77	33,624	49,271	68.24	2,776	5,286	52.82
1940.....	7,050	20,105	35.06	10,255	68,033	15.07	51,601	77,829	66.30	2,148	4,074	59.72
1941.....	5,002	15,003	33.34	9,596	69,846	13.64	123,118	183,672	68.31	1,457	2,829	31.50
1942.....	2,548	8,270	30.81	6,639	52,309	12.69	112,873	178,771	63.19	411	865	48.07
1943.....	2,707	8,946	30.26	4,857	40,635	11.95	134,360	218,316	61.54	209	438	47.72
1944.....	1,900	6,709	28.32	2,252	10,047	22.41	114,379	179,016	63.89	307	598	51.34
Month:												
1944-January.....	232	963	25.69	132	670	19.70	12,879	19,828	64.95	18	35	51.43
February.....	214	720	29.72	122	617	19.77	11,968	18,827	63.57	27	54	50.00
March.....	298	956	31.17	210	965	21.76	11,324	17,644	64.18	19	40	47.50
April.....	180	576	31.25	133	578	23.01	9,696	15,267	63.51	35	68	51.47
May.....	161	609	26.44	141	749	18.83	9,122	14,018	65.07	4	7	57.14
June.....	171	548	31.20	140	926	15.12	9,602	15,218	63.10	51	93	54.84
July.....	124	376	32.98	85	405	20.99	7,846	13,007	60.32	31	65	47.69
August.....	74	263	32.14	177	897	19.73	7,691	11,669	65.91	54	101	53.47
September.....	135	474	28.48	249	1,175	21.19	9,029	13,993	64.53	17	32	52.94
October.....	96	380	25.96	278	1,248	22.28	9,293	14,466	63.62	6	11	54.55
November.....	99	399	24.81	306	912	33.55	8,268	12,922	63.98	37	69	50.72
December.....	117	504	23.21	278	903	30.79	7,750	12,157	63.75	35	69	50.72
1945-January.....	96	321	18.43	211	2,367	21.55	12,964	20,180	64.21	9	17	52.94
February.....	154	919	16.76	211	896	23.55	9,384	14,703	63.82	11	23	47.83
March.....	342	1,942	17.61	409	1,620	25.25	11,619	18,294	63.51	50	105	47.62
April.....	340	2,005	16.96	277	1,033	26.82	10,395	16,018	64.90	25	49	51.02
May.....	377	2,231	16.90	320	1,453	22.02	11,778	18,129	64.97	41	83	48.40
June.....	478	2,708	17.65	286	1,409	20.30	10,995	17,425	63.10	73	182	40.11

Footnotes at end of table.

TABLE 100.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, for the calendar years 1935 through 1944 and by months from January 1944 through June 1945*<sup>1</sup>—Continued

Year and month	[Dollars in thousands]										
	Schedule 13.—Manufactures of rayon or other synthetic textiles					Schedule 14.—Pulp, paper, and books					
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	
Calendar year: 1935.....	\$831	\$1,730	48.03	\$2,697	\$11,118	Percent	\$36,172	\$111,030	Percent	\$10,008	
	2,197	5,209	42.18	3,029	13,201	22.95	41,545	136,546	32.58	\$32,011	
	3,240	7,499	43.21	3,324	15,113	21.99	49,246	169,064	30.43	37,049	
	2,274	6,041	37.64	2,531	11,970	21.14	33,959	110,444	29.13	41,153	
	3,090	10,210	30.26	2,152	11,461	18.78	35,245	133,270	30.75	33,285	
	1,260	3,898	32.32	1,278	7,550	16.93	29,558	114,957	26.45	38,394	
	753	2,550	29.53	2,791	13,641	20.46	25,438	112,757	25.71	38,582	
	81	202	40.10	1,643	9,534	17.23	13,411	96,819	19.16	80,382	
	113	219	51.60	1,029	7,432	13.85	17,457	115,815	15.07	126,091	
	198	362	54.70	1,038	7,711	13.46	21,069	118,006	17.85	38,505	
	Month: 1944.....	2	7	28.57	87	610	14.26	1,590	9,376	16.96	618
		10	18	55.56	96	657	14.61	1,776	10,521	16.88	5,269
18		34	52.94	92	660	13.94	2,028	11,969	16.94	5,368	
15		36	41.67	73	600	12.17	1,985	11,699	16.97	5,455	
9		19	47.37	68	556	12.23	1,480	9,902	14.95	4,819	
19		37	51.35	83	642	12.93	1,848	8,427	21.93	6,506	
86		142	60.56	63	529	11.91	1,597	8,715	18.32	6,906	
10		16	62.50	74	550	13.45	1,507	8,510	17.71	6,280	
6		10	60.00	112	820	13.65	1,372	7,499	18.30	8,295	
2		8	25.00	96	706	13.60	1,821	8,925	20.40	8,999	
4		6	66.67	101	726	13.91	2,157	11,834	18.23	5,451	
17		30	56.67	92	654	14.07	1,908	10,630	17.95	7,750	
1945.....	5	8	62.50	77	555	13.87	1,788	9,566	18.69	5,401	
	5	8	62.50	77	555	13.87	1,731	9,839	17.59	5,548	
	25	44	56.82	106	744	14.25	2,762	13,164	20.98	7,587	
	19	32	53.85	111	706	15.72	2,651	13,217	19.25	6,112	
	28	52	53.85	113	773	14.62	2,578	13,392	19.25	6,558	
	59	101	58.42	138	864	15.97	2,869	12,639	22.70	7,681	
	2	7	28.57	87	610	14.26	1,590	9,376	16.96	8,830	
	10	18	55.56	96	657	14.61	1,776	10,521	16.88	8,681	
	18	34	52.94	92	660	13.94	2,028	11,969	16.94	8,999	
	15	36	41.67	73	600	12.17	1,985	11,699	16.97	8,451	
	9	19	47.37	68	556	12.23	1,480	9,902	14.95	6,906	
	19	37	51.35	83	642	12.93	1,848	8,427	21.93	6,280	
1946.....	86	142	60.56	63	529	11.91	1,597	8,715	18.32	8,999	
	10	16	62.50	74	550	13.45	1,507	8,510	17.71	8,451	
	6	10	60.00	112	820	13.65	1,372	7,499	18.30	7,750	
	2	8	25.00	96	706	13.60	1,821	8,925	20.40	5,401	
	4	6	66.67	101	726	13.91	2,157	11,834	18.23	5,548	
	17	30	56.67	92	654	14.07	1,908	10,630	17.95	6,094	
	5	8	62.50	77	555	13.87	1,788	9,566	18.69	7,587	
	5	8	62.50	77	555	13.87	1,731	9,839	17.59	8,830	
	25	44	56.82	106	744	14.25	2,762	13,164	20.98	6,558	
	19	32	53.85	111	706	15.72	2,651	13,217	19.25	7,681	
	28	52	53.85	113	773	14.62	2,578	13,392	19.25	8,681	
	59	101	58.42	138	864	15.97	2,869	12,639	22.70	9,944	
1947.....	2	7	28.57	87	610	14.26	1,590	9,376	16.96	10,087	
	10	18	55.56	96	657	14.61	1,776	10,521	16.88	1,325	
	18	34	52.94	92	660	13.94	2,028	11,969	16.94	10,987	
	15	36	41.67	73	600	12.17	1,985	11,699	16.97	13,14	
	9	19	47.37	68	556	12.23	1,480	9,902	14.95	11,73	
	19	37	51.35	83	642	12.93	1,848	8,427	21.93	10,87	
	86	142	60.56	63	529	11.91	1,597	8,715	18.32	13,14	
	10	16	62.50	74	550	13.45	1,507	8,510	17.71	13,14	
	6	10	60.00	112	820	13.65	1,372	7,499	18.30	13,14	
	2	8	25.00	96	706	13.60	1,821	8,925	20.40	13,14	
	4	6	66.67	101	726	13.91	2,157	11,834	18.23	13,14	
	17	30	56.67	92	654	14.07	1,908	10,630	17.95	13,14	

TABLE 101.—*Value of dutiable imports for consumption and estimated duties collected, by countries, fiscal years 1942 through 1945*

Country	Duties				Value			Percentage increase or decrease (—), 1945 over 1944		
	1942	1943	1944	1945	1942	1943	1944	1945	Duty	Value
Europe:										
Bulgaria.....	\$712	\$645	\$324	\$154	\$1,272	\$1,171	\$549	\$273	—52.5	—50.3
France.....	1,178	885	107	144	3,096	2,048	269	503	—34.6	87.0
Greece.....	4,600	4,075	1,969	792	9,488	7,056	3,210	1,342	—50.8	—58.6
Ireland.....	532	514	252	75	1,042	1,369	977	229	—70.2	—76.6
Italy.....	493	275	19	49	815	1,339	59	279	157.9	372.9
Portugal.....	1,354	2,114	13,352	7,265	3,575	4,330	23,795	16,558	—30.4	—30.4
Spain.....	2,244	3,161	10,991	11,969	7,139	9,825	30,385	45,715	8.9	49.5
Sweden.....	614	82	35	180	1,952	355	155	813	414.3	424.5
Switzerland.....	12,038	14,698	21,993	18,083	27,355	34,509	58,871	50,783	—17.8	—13.7
U. S. S. R.....	1,451	1,163	767	1,335	4,910	3,250	2,477	4,934	74.1	99.2
United Kingdom.....	40,202	37,652	23,173	19,223	102,220	93,865	58,520	48,904	—17.0	—10.4
Other Europe.....	2,731	1,458	382	258	9,849	2,472	1,753	877	—32.5	—50.0
Total Europe.....	68,239	66,122	73,364	59,527	172,713	160,549	181,220	171,210	—18.9	—5.5
North and Central America:										
Canada.....	39,746	37,339	36,959	50,381	222,453	237,640	256,867	344,023	36.3	33.9
Cuba.....	49,809	46,682	108,544	42,812	163,594	160,082	270,992	100,919	—90.6	—62.8
Dominican Republic.....	1,916	396	157	281	2,810	1,830	1,006	1,662	79.0	65.2
French West Indies.....	11	186	4,520	1,202	286	85	2,896	666	—73.4	—57.0
Jamaica.....	426	658	629	629	960	1,719	3,600	1,518	—50.9	—57.8
Mexico.....	19,681	15,837	22,822	18,486	46,664	58,972	80,640	89,572	19.0	11.1
Netherlands West Indies.....	3,846	1,478	1,094	1,279	15,162	5,662	4,718	4,669	16.9	—1.0
Newfoundland.....	881	346	182	220	3,250	2,067	2,033	2,364	20.9	16.3
Other countries.....	1,046	912	1,448	1,347	5,645	4,925	7,555	7,104	—7.0	—6.0
Total North and Central America.....	117,362	103,834	177,008	116,637	460,830	472,992	630,307	552,497	—34.1	—12.3
South America:										
Argentina.....	48,550	38,465	39,746	31,387	121,821	92,298	88,983	77,378	—21.0	—13.0
Bolivia.....	657	195	12	58	1,690	581	74	162	383.3	118.9
Brazil.....	6,281	4,261	3,625	5,095	33,819	29,064	34,055	42,677	58.6	28.3
Chile.....	3,419	4,818	4,460	5,229	8,628	8,606	7,816	9,834	17.2	26.1
Colombia.....	892	135	767	867	7,740	1,824	8,452	9,304	13.0	10.1
Ecuador.....	264	265	593	608	2,230	3,485	6,506	5,811	2.5	—10.7
Paraguay.....	567	233	155	155	2,776	3,062	2,387	2,196	—8.0	—13.9
Peru.....	9,560	2,093	2,134	2,207	11,136	6,039	4,487	6,304	3.4	14.9
Footnotes at end of table.										





## MISCELLANEOUS

TABLE 102.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1945*

Appropriation titles	1920	1930	1940	1945
<b>I. APPROPRIATIONS FROM WHICH DIRECT PAYMENTS ARE MADE TO STATES, INDIVIDUALS, ETC., UNDER COOPERATIVE ARRANGEMENTS</b>				
<b>EXECUTIVE OFFICE</b>				
<i>War Shipping Administration</i>				
State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121).....	(1)	(1)	(1)	\$165, 169. 20
<b>INDEPENDENT ESTABLISHMENTS</b>				
<i>Federal Power Commission</i>				
Payments to States under Federal Power Act (16 U. S. C. 810).....		\$12, 875. 14	\$19, 386. 33	27, 164. 31
<i>Federal Security Agency</i>				
Colleges for agriculture and the mechanic arts (7 U. S. C. 321-343g).....	\$2, 500, 000. 00	2, 550, 000. 00	2, 550, 000. 00	2, 550, 000. 00
Further endowment of colleges of agriculture and the mechanic arts (7 U. S. C. 343e-343g; 54 Stat. 582).....			2, 480, 000. 00	2, 480, 000. 00
Cooperative vocational education in agriculture (20 U. S. C. 11-30).....	707, 130. 02	3, 151, 339. 81	2 19, 729. 92	-----
Cooperative vocational education in trades and industries (20 U. S. C. 11-30).....	780, 096. 35	2 956, 295. 12	2 9, 786. 58	-----
Cooperative vocational education, teachers, etc. (20 U. S. C. 11-30).....	619, 556. 42	1, 029, 078. 43	2 10, 000. 00	-----
Cooperative vocational education in home economics (20 U. S. C. 11-30).....		248, 957. 29	2 18, 430. 61	-----
Cooperative vocational education in distributive occupations (20 U. S. C. 11-30).....			2 10, 000. 00	-----
Cooperative vocational rehabilitation of persons disabled in industry (29 U. S. C. 31-45b).....		735, 618. 96	2, 082, 197. 81	-----
Further development and promotion of vocational education (20 U. S. C. 15h-15p; 54 Stat. 553, 29-30; 29 U. S. C. 31-35).....			19, 384, 914. 13	19, 810, 777. 67
Education and training of defense workers (54 Stat. 632; 1033-1035; 55 Stat. 476-477).....				48, 770, 467. 40
Civilian Conservation Corps (16 U. S. C. 584-584q; 54 Stat. 581).....			270, 856, 832. 30	-----
Training for nurses, Public Health Service (56 Stat. 538; 57 Stat. 505).....				54, 404, 747. 37
To promote the education of the blind (American Printing House for the Blind) (20 U. S. C. 101, 102).....	30, 000. 00	75, 000. 00	115, 000. 00	125, 000. 00
Control of tuberculosis, Public Health Service (Act July 1, 1944, 58 Stat. 693, sec. 314 (b)).....				1, 370, 114. 00
Expenses, Division of Venereal Diseases, Public Health Service (42 U. S. C. 24, 25; 52 Stat. 439, 440).....			4, 188, 399. 31	9, 482, 196. 26
Grants to States for public health work, Social Security Act, Aug. 14, 1935 (42 U. S. C. 801-803).....			9, 500, 706. 43	10, 913, 490. 26
Payment to States, United States Employment Service (29 U. S. C. 49-49i).....			3, 366, 606. 00	(3)
Grants to States under Social Security Act (42 U. S. C. 301-606, 1201-1206).....			329, 303, 433. 26	345, 738, 041. 56
Grants to States for public employment offices (29 U. S. C. 49-49i).....				(3)
National Youth Administration (act June 26, 1940, 54 Stat. 590; 55 Stat. 487-488, 491-492).....				(4)
Total.....	4, 636, 782. 79	10, 746, 289. 61	643, 760, 142. 13	495, 644, 834. 52

Footnotes at end of table.

TABLE 102.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1945—Continued*

Appropriation titles	1920	1930	1940	1945
<b>INDEPENDENT ESTABLISHMENTS—con.</b>				
<i>Federal Works Agency</i>				
Cooperative construction of rural post roads (23 U. S. C. 21, 54) (see also items of similar type under class II)	\$20,305,622.75	\$77,887,692.53	\$150,469.87	-----
Federal-aid highway system (23 U. S. C. 1-24, 41, 21a, 23a, 41a)	-----	-----	105,351,357.88	\$23,733,027.71
Federal-aid secondary or feeder roads (act June 16, 1936, 49 Stat. 1521, sec. 7)	-----	-----	18,355,138.85	2,947,762.12
Elimination of grade crossings (act June 16, 1936, 49 Stat. 1521, sec. 8)	-----	-----	29,521,720.26	3,601,111.78
Public-lands highways (act June 16, 1936, 49 Stat. 1520, sec. 3)	-----	-----	2,128,682.39	61,594.37
United States Housing Authority fund (42 U. S. C. 1404 (d), 1418; 50 Stat. 889, 897, sec. 4 (d), 18)	-----	-----	1,386,132.08	-----
Annual contributions, United States Housing Authority (42 U. S. C. 1410)	-----	-----	-----	( <sup>a</sup> )
Total	20,305,622.75	77,887,692.53	156,893,501.33	30,343,495.98
<i>Interdepartmental Social Hygiene Board</i>				
Payments for prevention and research, venereal diseases (41 Stat. 888)	1,759,262.72	-----	-----	-----
<i>National Housing Agency</i>				
Annual contributions, Federal Public Housing Authority (42 U. S. C. 1410)	-----	-----	-----	8,722,300.30
<i>Veterans' Administration</i>				
State and territorial homes for disabled soldiers and sailors (24 U. S. C. 134) (Annual appropriations under title "Salaries and expenses, Veterans' Administration")	1,094,584.44	575,206.34	978,766.88	1,217,346.30
<b>DEPARTMENT OF AGRICULTURE</b>				
Payments to States and Territories for agricultural experiment stations (7 U. S. C. 301-308, 361-386f, 369a, 427-427g)	1,440,000.00	4,335,000.00	6,848,148.63	6,972,355.64
Cooperative agricultural extension work (7 U. S. C. 301-308, 341-348, 343c-343e, 343f, 343g)	4,471,593.71	7,539,786.13	18,458,266.78	22,512,187.27
Payments to States and Territories from the national forests fund (16 U. S. C. 500)	1,069,886.88	1,565,032.06	1,192,369.57	4,138,652.69
Payments to school funds, Arizona and New Mexico, national forests fund (act June 20, 1910, 36 Stat. 561, 573, secs. 6, 24)	78,867.32	41,243.00	23,554.99	38,476.35
Forest-fire cooperation (16 U. S. C. 564-570)	-----	1,383,040.89	1,987,537.50	6,089,449.06
Cooperative distribution of forest planting stock (16 U. S. C. 567)	-----	80,315.09	90,331.66	116,791.01
Conservation and use of agricultural land resources (act Feb. 29, 1936, 16 U. S. C. 590G-590Q)	-----	-----	552,042,803.99	254,532,299.03
Payments to counties from submarginal land program (7 U. S. C. 1012)	-----	-----	-----	115,827.95
Supply and distribution of farm labor, War Food Administration (57 Stat. 70)	-----	-----	-----	9,861,382.82
Total	7,060,347.91	14,944,417.17	580,643,013.12	304,377,421.82
<b>DEPARTMENT OF THE INTERIOR</b>				
Payments to States from receipts under Mineral Leasing Act (30 U. S. C. 191)	-----	1,387,838.33	2,151,654.16	4,085,968.61
Payments to States under Grazing Act, June 28, 1934, public lands (43 U. S. C. 315)	-----	-----	503,966.63	101,171.28
Payments to States under Grazing Act, June 28, 1934, Indian ceded lands (43 U. S. C. 315j)	-----	-----	-----	-----

Footnotes at end of table.

TABLE 102.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1945—Continued*

Appropriation titles	1920	1930	1940	1945
<b>DEPARTMENT OF THE INTERIOR—con.</b>				
Payments to counties from receipts under Migratory Bird Conservation Act (16 U. S. C. 715e).....				\$61,282.16
Payment to States of 5% of proceeds of public lands (receipt limitation) (31 U. S. C. 711, par. 17; annual appropriation provided for 1942, act June 28, 1941, 55 Stat. 310).....		\$18,291.68	\$602.08	
Coos Bay wagon-road grant fund (act Feb. 26, 1919, 40 Stat. Sec. 5).....		\$ 43,612.97	( <sup>6</sup> )	
Revested Oregon and California Railroad and reconveyed Coos Bay wagon-road grant lands, Oregon (reimbursable) (act Aug. 28, 1937, 50 Stat. 874).....			142,040.85	
Payment of proceeds of sales of Coos Bay wagon-road grant lands and timber (receipt limitation) (act Feb. 26, 1919, 40 Stat. 1179).....			12,771.12	
Payments to Coos and Douglas Counties, Oreg., in lieu of taxes on Coos Bay wagon-road grant lands (act May 24, 1939, 53 Stat. 753).....			221.00	
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (act June 9, 1916, 39 Stat. 222, sec. 10, and various supplemental acts; additional annual appropriation provided for 1939, act June 25, 1938, 52 Stat. 1129).....		186,829.45	( <sup>7</sup> )	( <sup>7</sup> )
Payment to counties, Oregon and California grant lands (50%).....				
Payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund (25%) (act Aug. 28, 1937, 50 Stat. 875).....		792,558.45	313,845.13	881,579.57
Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation) (act Mar. 4, 1923, 30 U. S. C. 233).....		41,777.90	8,786.13	3,000.00
Payment to States from potash deposits, royalties and rentals (act Feb. 7, 1927, secs. 5 and 6 (30 U. S. C. 149, 285, 286)).....			49,255.80	220,455.29
Payment to Alaska under Alaska Game Law (48 U. S. C. 199, Subdiv. K).....			20,280.63	32,095.49
Payments to Arizona and Colorado for Colorado River Dam fund, Boulder Canyon Project (43 U. S. C. 617a, f).....				600,000.00
<b>Total</b> .....		2,470,908.78	3,203,426.53	5,985,552.40
<b>DEPARTMENT OF LABOR</b>				
Grants to States under Social Security Act, Aug. 14, 1935 (42 U. S. C. 701-705, 711-715, 721).....			9,680,706.10	10,690,802.23
Promotion of welfare and hygiene of maternity and infancy.....		\$ 9,522.00		
<b>Total</b> .....		9,522.00	9,680,706.10	10,690,802.23
<b>NAVY DEPARTMENT</b>				
State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121).....	\$176,689.36	50,000.00	140,035.61	
<b>Total Class I</b> .....	35,033,289.97	106,696,911.57	1,395,318,978.02	857,174,087.06

Footnotes at end of table.

TABLE 102.—*Net expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which grants are made to States), fiscal years 1920, 1930, 1940, and 1945—Continued*

Appropriation titles	1920	1930	1940	1945
<b>II. APPROPRIATIONS FOR COOPERATIVE WORK WITH STATES</b>				
<b>DEPARTMENT OF AGRICULTURE</b>				
Cooperative construction, etc., of roads and trails, national forests (act July 11, 1916, 39 Stat. 358).....	\$1, 699, 043. 82	( <sup>10</sup> )	( <sup>10</sup> )	( <sup>10</sup> )
Federal forest road construction (act Feb. 28, 1919, 40 Stat. 1201).....	2, 550, 513. 26	( <sup>10</sup> )	( <sup>10</sup> )	( <sup>10</sup> )
Forest roads and trails (23 U. S. C. 23, 23a).....		\$7, 961, 031. 77	\$11, 478, 686. 21	<sup>11</sup> \$6, 950, 510. 57
Forest reserve fund, roads and trails for States (16 U. S. C. 501).....				
Cooperative fire protection of forested watersheds of navigable streams (16 U. S. C. 563).....	86, 886. 73			
Cooperative farm forestry (16 U. S. C. 567-568b).....		58, 880. 69		
Total.....	4, 336, 443. 81	8, 019, 912. 46	11, 478, 686. 21	6, 950, 510. 57
<b>DEPARTMENT OF THE INTERIOR</b>				
Federal aid, wildlife restoration (act Sept. 2, 1937, 50 Stat. 917).....			<sup>12</sup> 451, 298. 51	1, 306, 449. 83
<b>TREASURY DEPARTMENT</b>				
<i>Public Health Service</i>				
Preventing the spread of epidemic diseases.....	495, 792. 75	273, 329. 98		
Interstate quarantine service.....	5, 097. 70	71, 117. 32		
Studies in rural sanitation.....	64, 527. 64	345, 159. 45		
Total.....	565, 418. 09	689, 606. 75		
<b>WAR DEPARTMENT</b>				
National Guard (32 U. S. C. 21, 22).....	2, 663, 485. 27	31, 987, 927. 34	71, 019, 749. 28	298, 521. 69
Total Class II.....	7, 565, 347. 17	40, 697, 446. 55	82, 949, 734. 00	8, 555, 482. 09
Grand total.....	42, 598, 637. 14	147, 394, 358. 12	1, 478, 268, 712. 03	865, 729, 569. 15

<sup>1</sup> This account was transferred from Navy Department to Executive Office, Office for Emergency Management, War Shipping Administration, by Executive Order 9198, dated July 11, 1942. Expenditures for fiscal years 1920, 1930, and 1940 are stated under Navy Department.

<sup>2</sup> Deduct; represents net repayments. These accounts were discontinued, but their functions are continued under the two accounts immediately following.

<sup>3</sup> This account was discontinued in 1941 and its functions continued under "Grants to States for public employment offices," stated under that caption. No expenditures for this activity in 1945.

<sup>4</sup> The National Youth Administration was transferred from Federal Security Agency to Executive Office, Office for Emergency Management, War Manpower Commission, pursuant to Executive Order 9247, dated Sept. 17, 1942. Expenditures for 1940 were made from Emergency Relief Appropriation Act funds, therefore not stated in this table.

<sup>5</sup> Executive Order 9070, dated Feb. 24, 1942, transferred the U. S. Housing Authority, its functions and duties to the National Housing Agency, Federal Public Housing Authority. Expenditures for 1945 are stated under National Housing Agency.

<sup>6</sup> Special fund account repealed as a permanent appropriation, effective July 1, 1935, by sec. 4 of the Permanent Appropriation Repeal Act, June 26, 1934 (48 Stat. 1227). Annual appropriation provided for same object under the account immediately following.

<sup>7</sup> Expenditures under this caption stated under combined accounts immediately following.

<sup>8</sup> Expenditures formerly classified under "Federal aid, wildlife restoration" in Class II of this statement.

<sup>9</sup> Activities under this caption expired June 30, 1929.

<sup>10</sup> These accounts consolidated with combined accounts immediately following.

<sup>11</sup> Expenditures under this caption comprise \$5,803,627.53 by Department of Agriculture and \$1,146,883.04 by Bureau of Public Roads, Federal Works Agency.

<sup>12</sup> This figure is reduced by amount of expenditures under "Alaska Game Law" now stated under Department of the Interior, Class I of this statement. (See footnote 8.)



TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945*

[The Treasury Department, for general information, has compiled from figures furnished by the departments and establishments concerned the following statement, exhibiting by States and Territories the amounts paid to each under the appropriations for Federal aid to States shown under Classes I and II in the preceding table. The amounts in this table, derived from the accounts of various departments and establishments, are not necessarily on the same accounting bases, and consequently not strictly comparable with the previous table.]

## PART A.—DIRECT PAYMENTS TO STATES UNDER COOPERATIVE ARRANGEMENTS

State	Department of Agriculture					
	Agricultural experiment stations	Agricultural extension work <sup>1</sup>	Supply and distribution of farm labor	Forest funds, etc. <sup>2</sup>	Roads and trails <sup>3</sup>	Payments to counties from sub-marginal land program
	(1)	(2)	(3)	(4)	(5)	(6)
Alabama.....	\$171,602.82	\$775,016.12	\$187,128.57	\$170,259.38	\$34,987.20	\$136.35
Arizona.....	103,285.16	137,243.39	125,000.00	38,061.15	153,041.93	84.62
Arkansas.....	151,724.98	669,751.19	181,961.00	134,271.46	310,059.72	4,012.13
California.....	171,893.64	591,911.62	1,390,000.00	904,359.23	416,263.25	595.58
Colorado.....	112,430.96	299,011.59	134,000.00	11,786.57	134,449.39	8,776.73
Connecticut.....	109,424.23	160,526.53	215,085.00	32,686.35	.....	.....
Delaware.....	93,937.18	80,917.56	56,362.00	5,570.27	.....	57.75
District of Columbia.....	.....	.....	.....	.....	.....	.....
Florida.....	124,782.16	294,063.54	65,000.00	291,785.02	45,447.92	3,351.92
Georgia.....	177,522.92	852,398.45	180,000.00	189,462.39	30,753.27	11,496.53
Idaho.....	104,219.84	224,187.71	209,913.56	132,960.36	228,178.82	651.26
Illinois.....	171,666.47	600,904.14	270,000.00	17,360.57	5,232.05	1,327.23
Indiana.....	148,907.70	556,379.29	96,300.00	26,676.29	875.07	.....
Iowa.....	154,854.64	659,200.72	75,000.00	3,046.39	255.83	.....
Kansas.....	140,050.96	471,845.25	.....	4,461.50	.....	399.61
Kentucky.....	171,533.32	803,369.49	167,188.50	48,330.51	20,458.44	116.27
Louisiana.....	146,502.80	547,898.20	235,000.00	146,169.17	50,034.74	1,270.90
Maine.....	110,692.16	204,039.75	252,113.33	120,150.31	1,035.50	149.82
Maryland.....	119,556.70	234,752.21	186,500.00	129,362.17	.....	.....
Massachusetts.....	106,997.75	122,480.93	62,990.55	95,754.30	.....	.....
Michigan.....	162,763.19	597,525.36	284,999.89	318,187.87	41,849.80	233.64
Minnesota.....	147,269.04	576,283.67	110,000.00	195,796.23	47,168.26	19.78
Mississippi.....	162,651.40	844,704.66	247,960.17	110,583.89	60,759.05	6,690.45
Missouri.....	166,967.80	758,805.94	135,000.00	58,764.26	10,434.05	1,285.98
Montana.....	105,503.16	196,651.02	80,000.00	75,118.99	142,934.25	14,127.73
Nebraska.....	128,776.60	403,158.14	80,719.75	1,239.43	6,858.50	2,049.99
Nevada.....	92,734.64	97,031.85	67,000.00	3,841.68	31,637.14	242.40
New Hampshire.....	98,507.40	111,187.48	62,760.33	46,345.34	14,299.53	.....
New Jersey.....	121,260.32	201,029.37	126,723.91	98,190.22	.....	.....
New Mexico.....	104,516.00	202,619.52	137,824.00	2,761.30	92,410.07	4,308.36
New York.....	183,615.09	559,518.94	642,012.30	164,580.44	.....	696.09
North Carolina.....	196,085.56	986,427.08	230,000.00	178,447.88	86,867.85	2,068.24
North Dakota.....	114,675.76	295,203.93	214,000.00	2,353.57	36.78	17,526.51
Ohio.....	181,379.55	701,200.95	460,000.00	39,674.52	2,615.64	5,827.82
Oklahoma.....	158,450.84	652,601.71	236,390.52	37,643.62	22,228.66	.....
Oregon.....	112,790.32	262,776.87	190,000.00	582,695.85	696,254.33	1,131.68
Pennsylvania.....	225,322.64	711,081.19	416,233.50	133,798.61	21,600.93	2,022.84
Rhode Island.....	92,371.89	60,300.69	12,335.94	16,207.81	.....	.....
South Carolina.....	149,464.96	591,156.15	160,000.00	168,635.95	48,802.76	17.76
South Dakota.....	114,432.44	303,801.19	151,790.96	4,303.16	34,669.84	13,081.86
Tennessee.....	167,136.04	759,944.55	121,007.00	104,183.46	36,380.26	.....
Texas.....	239,364.76	1,399,449.93	431,000.00	169,771.75	82,071.85	5,737.61
Utah.....	100,503.68	184,867.24	95,000.00	15,688.91	168,324.50	107.42
Vermont.....	100,306.39	136,807.91	59,729.31	21,317.69	14,082.50	.....
Virginia.....	161,144.56	643,583.93	247,000.00	211,955.79	21,447.71	7.57
Washington.....	123,254.64	317,690.33	315,000.00	627,034.28	849,039.15	.....
West Virginia.....	145,859.16	411,199.29	47,352.73	110,145.34	17,478.88	266.91
Wisconsin.....	150,224.88	576,807.29	240,000.00	233,173.10	28,435.03	.....
Wyoming.....	96,759.52	143,382.21	156,000.00	1,130.33	78,398.78	5,950.61
Alaska.....	39,752.44	33,950.00	.....	.....	48,321.44	.....
Hawaii.....	97,468.74	166,071.25	14,000.00	5,046.76	.....	.....
Puerto Rico.....	139,455.84	339,469.65	.....	3,585.00	2,172.12	.....
Total.....	6,972,355.64	22,512,187.27	9,861,382.82	6,244,716.42	4,138,652.69	115,827.95

<sup>1</sup> Includes \$3,795,380.07 for emergency extension work, War Food Administration programs.

<sup>2</sup> Comprises \$38,476.35 under payments to school funds, Arizona and New Mexico; \$6,089,449.06 under forest fire cooperation, and \$116,791.01 under farm and other private forestry cooperation.

<sup>3</sup> Represents payments to States and territories from national forests fund.

TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued*

## PART A.—DIRECT PAYMENTS TO STATES UNDER COOPERATIVE ARRANGEMENTS—Continued

State	Department of the Interior		Executive Office—War Shipping Administration, State marine schools <sup>c</sup>	Federal Power Commission—Payments to States under Federal Power Act	Veterans' Administration—State and territorial homes for disabled soldiers and sailors
	Payments from receipts under Mineral Leasing Act <sup>a</sup>	Payments under certain special funds <sup>b</sup>			
	(7)	(8)	(9)	(10)	(11)
Alabama.....	\$22.69	\$114.75		\$42.55	
Arizona.....	1,337.57	313,156.11		391.20	
Arkansas.....	60.00	2,039.55		17.15	
California.....	1,154,870.68	28,470.45	\$25,000.00	16,233.03	\$268,745.75
Colorado.....	108,981.19	5,285.57		510.34	18,082.72
Connecticut.....					72,802.35
Delaware.....		541.86			
District of Columbia.....					
Florida.....		727.23		2.67	
Georgia.....		221.43			
Idaho.....	193.92	5,277.68		1,689.24	11,202.33
Illinois.....		222.94			182,700.00
Indiana.....					54,678.76
Iowa.....		464.85			20,131.38
Kansas.....	2,405.32				11,832.93
Kentucky.....		1,107.40			
Louisiana.....	8,191.07	3,010.10			
Maine.....		384.53	48,944.20		
Maryland.....		2,090.49			
Massachusetts.....		43.69	25,000.00		104,855.91
Michigan.....	344.57	2,067.25		20.64	47,802.61
Minnesota.....		3,435.15		11.19	53,986.50
Mississippi.....	26.25	900.25		23.75	
Missouri.....		2,472.56		3.04	15,347.42
Montana.....	373,404.85	17,780.16		781.39	2,677.81
Nebraska.....	15.00	4,894.78			30,716.77
Nevada.....	7,072.14	301,294.17		842.97	
New Hampshire.....					6,483.75
New Jersey.....		53.18			28,503.75
New Mexico.....	602,553.54	204,055.46		8.76	
New York.....		1,354.14	39,975.00		1,061.58
North Carolina.....		495.02		44.55	
North Dakota.....	12,098.59	4,518.44			7,676.85
Ohio.....					93,569.42
Oklahoma.....	4,341.11	3,861.89		1,845.56	
Oregon.....	118.40	892,944.36		37.75	36,004.50
Pennsylvania.....			26,250.00		16,977.00
Rhode Island.....		81.82		10.76	
South Carolina.....		4,856.74			21,979.26
South Dakota.....	5,662.86	560.95		1.88	
Tennessee.....		2,408.75			
Texas.....				1,250.86	
Utah.....	131,003.59				9,013.50
Vermont.....		705.14		23.41	
Virginia.....	650.95	3,072.01		2,852.89	60,474.44
Washington.....				3.49	
West Virginia.....		4,442.96		3.59	36,920.76
Wisconsin.....		45,036.99		191.82	3,118.25
Wyoming.....	1,675,614.32	37.50		306.58	
Alaska.....					
Hawaii.....				13.25	
Puerto Rico.....					
Total.....	4,088,968.61	1,864,488.30	165,169.20	27,164.31	1,217,346.30

<sup>a</sup> Includes \$3,000 payment to Oklahoma from royalties, oil and gas, south half of Red River, Oklahoma.<sup>b</sup> Comprises \$600,000 to Arizona and Nevada under Boulder Canyon Adjustment Act of July 19, 1940; \$881,579.57 payments to counties, Oregon and California grant lands; \$220,455.29 payments to States from potash deposits; \$101,171.28 payments to States under Grazing Act of June 28, 1934; and \$61,282.16 payments to counties and territories under the Migratory Bird Act.<sup>c</sup> Transferred from Navy Department to Executive Office, Office for Emergency Management, War Shipping Administration, by Executive Order 9198, dated July 11, 1942.

TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued*

## PART A.—DIRECT PAYMENTS TO STATES UNDER COOPERATIVE ARRANGEMENTS—Continued

State	Federal Security Agency				
	Office of Vocational Rehabilitation	Office of Education		American Printing House for the Blind	Payments to States under social security program <sup>1</sup>
		Colleges for agriculture and mechanic arts	Cooperative vocational education		
	(12)	(13)	(14)	(15)	(16)
Alabama.....	\$141,043.57	\$102,332.47	\$558,182.60	\$4,523.24	\$4,636,809.46
Arizona.....	14,139.89	75,698.05	104,565.34	964.67	3,009,254.44
Arkansas.....	80,888.77	92,248.29	413,595.85	2,672.47	4,597,135.45
California.....	405,146.48	148,833.74	774,453.40	4,158.80	45,807,770.62
Colorado.....	34,674.16	82,820.14	168,844.15	986.11	10,559,524.96
Connecticut.....	146,138.74	89,507.51	213,556.72	857.49	3,761,738.59
Delaware.....	57,086.91	73,041.61	92,653.91	-----	379,735.72
District of Columbia.....	92,681.28	-----	52,540.07	364.43	992,692.05
Florida.....	206,713.38	91,655.11	272,471.09	1,929.34	8,783,211.57
Georgia.....	372,187.63	105,650.94	594,991.06	2,979.76	6,622,142.99
Idaho.....	19,192.86	75,990.36	105,288.72	407.81	2,431,072.60
Illinois.....	363,297.35	160,130.90	945,376.26	5,852.33	31,009,208.95
Indiana.....	178,435.42	109,121.30	525,983.88	2,658.21	11,715,252.50
Iowa.....	60,393.13	98,969.15	397,067.39	3,172.71	9,796,726.45
Kansas.....	73,433.04	90,554.99	281,454.44	1,586.35	6,196,266.18
Kentucky.....	164,333.86	102,477.04	501,740.15	3,044.07	5,127,193.98
Louisiana.....	148,210.73	96,978.88	170,272.93	2,593.90	8,385,161.28
Maine.....	63,340.07	79,669.36	127,097.29	-----	3,248,100.02
Maryland.....	67,193.91	90,785.79	227,859.03	2,165.15	3,361,515.22
Massachusetts.....	91,272.89	119,266.57	475,715.87	5,144.91	20,206,044.40
Michigan.....	328,395.59	129,987.73	753,811.35	4,909.10	20,707,171.40
Minnesota.....	88,230.59	101,868.41	407,013.97	3,429.95	12,300,773.50
Mississippi.....	179,972.01	94,923.58	417,169.84	2,100.84	3,818,906.18
Missouri.....	112,723.90	113,194.22	590,598.05	2,122.28	18,007,277.85
Montana.....	42,918.33	76,385.05	116,421.57	600.24	2,718,030.27
Nebraska.....	88,155.76	85,017.57	235,245.66	1,007.55	4,868,382.84
Nevada.....	2,503.91	71,258.25	47,493.17	-----	601,997.77
New Hampshire.....	32,548.81	75,609.75	74,752.45	-----	1,570,602.90
New Jersey.....	228,255.44	117,479.80	420,151.08	2,015.10	6,802,966.22
New Mexico.....	24,393.46	76,069.62	110,224.48	1,286.23	1,837,857.89
New York.....	321,082.10	223,836.92	1,566,788.08	10,139.77	31,805,682.41
North Carolina.....	340,879.71	110,762.80	688,337.40	6,002.40	4,571,788.72
North Dakota.....	36,481.98	77,326.39	99,359.17	643.11	2,200,095.58
Ohio.....	203,846.57	148,836.31	870,503.37	5,895.22	26,244,689.94
Oklahoma.....	122,552.03	96,665.64	426,801.62	2,486.71	17,298,987.44
Oregon.....	69,274.65	82,436.51	182,164.06	2,808.26	5,222,494.22
Pennsylvania.....	339,838.66	182,990.38	1,274,337.89	8,253.30	23,318,133.23
Rhode Island.....	32,736.02	78,141.40	102,075.26	-----	1,981,627.35
South Carolina.....	165,180.34	91,682.40	385,161.17	1,972.22	3,609,292.89
South Dakota.....	32,968.61	77,338.09	99,308.92	643.11	2,339,761.31
Tennessee.....	220,008.01	103,278.40	551,466.09	3,001.20	7,095,500.46
Texas.....	319,673.35	143,212.13	1,056,467.45	5,938.09	27,583,061.38
Utah.....	26,790.80	76,280.66	109,069.19	728.86	3,588,480.11
Vermont.....	48,626.60	74,099.59	96,476.26	-----	936,710.56
Virginia.....	151,489.93	100,561.32	491,475.51	4,137.37	2,734,650.51
Washington.....	89,972.35	89,815.07	270,743.50	1,286.23	16,173,061.29
West Virginia.....	166,782.98	91,707.16	295,197.60	2,272.33	4,144,410.61
Wisconsin.....	391,906.13	105,809.17	509,553.02	3,622.87	9,606,712.34
Wyoming.....	11,197.92	72,861.72	71,957.67	-----	877,226.33
Alaska.....	-----	50,000.00	-----	-----	366,603.93
Hawaii.....	14,533.05	74,831.46	98,753.02	407.31	567,449.75
Puerto Rico.....	73,217.10	50,000.00	334,189.65	1,329.10	410,005.90
Undistributed.....	-----	-----	-----	-----	176,056.49
Total.....	7,087,240.96	5,030,000.00	19,810,777.67	125,000.00	456,113,067.01

<sup>1</sup> Comprises \$445,199,576.75 payments by Social Security Board and \$10,913,490.26 by Public Health Service. The payments by Social Security Board include \$33,730,410.03 for administration of unemployment compensation as provided under title III of the Social Security Act, and \$1,105,604.64 for enemy alien and civilian war assistance.



TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued*

## PART A.—DIRECT PAYMENTS TO STATES UNDER COOPERATIVE ARRANGEMENTS—Continued

State	Department of Labor		Federal Works Agency— Public roads, highways *	Total direct payments
	Payments to States under social security program	Emergency maternity and infant care		
	(17)	(18)	(19)	(20)
Alabama.....	\$330,267.61	\$669,940.00	\$1,309,186.22	\$9,091,595.60
Arizona.....	101,595.83	288,562.00	1,497,474.16	5,963,855.51
Arkansas.....	215,682.01	610,630.00	805,177.50	8,271,827.52
California.....	421,435.69	3,787,472.00	6,384,259.81	62,701,913.77
Colorado.....	139,851.95	558,499.00	1,638,134.38	14,016,649.91
Connecticut.....	148,728.85	679,175.00	359,231.85	5,989,459.21
Delaware.....	50,949.55	151,833.00	155,203.56	1,197,890.88
District of Columbia.....	129,383.01	372,621.00	81,460.78	1,721,742.62
Florida.....	211,480.92	695,111.00	3,289,937.79	14,377,670.66
Georgia.....	299,997.95	663,975.00	2,092,191.71	12,195,972.03
Idaho.....	97,672.83	236,524.00	839,394.51	4,724,017.91
Illinois.....	400,706.51	2,222,687.00	1,900,447.19	38,257,119.89
Indiana.....	186,793.62	1,166,071.00	1,753,883.30	16,522,016.34
Iowa.....	182,753.84	933,852.00	338,595.58	12,724,484.06
Kansas.....	128,886.18	774,677.00	466,858.29	8,644,712.04
Kentucky.....	323,162.67	722,434.00	1,685,994.01	9,842,453.71
Louisiana.....	213,704.30	732,244.00	3,759,476.51	14,646,719.51
Maine.....	122,552.96	277,203.00	735,326.44	5,390,798.74
Maryland.....	227,131.83	500,816.00	1,865,080.71	7,014,809.21
Massachusetts.....	214,568.32	1,361,663.00	779,028.19	23,770,827.28
Michigan.....	330,451.70	1,859,231.00	5,485,175.18	31,054,927.87
Minnesota.....	235,163.54	876,544.00	799,400.06	15,946,393.84
Mississippi.....	268,532.37	562,623.00	959,426.32	7,791,954.01
Missouri.....	251,074.62	1,339,947.00	1,328,358.51	22,894,377.48
Montana.....	96,195.81	176,647.00	1,558,113.80	5,794,291.44
Nebraska.....	143,291.14	610,952.00	2,552,020.75	9,242,502.23
Nevada.....	46,062.36	92,007.00	1,084,369.88	2,547,389.33
New Hampshire.....	81,142.61	117,041.00	414,178.71	2,705,759.96
New Jersey.....	183,745.92	1,220,780.00	1,015,395.56	10,566,549.87
New Mexico.....	163,178.40	270,104.00	984,178.79	4,818,349.88
New York.....	426,598.68	4,508,128.00	1,132,567.66	41,587,637.20
North Carolina.....	351,577.54	1,349,159.00	1,094,224.75	10,193,168.90
North Dakota.....	107,691.67	146,213.00	1,271,614.23	4,607,515.56
Ohio.....	247,326.57	2,231,282.00	2,936,667.51	34,373,315.39
Oklahoma.....	246,154.66	912,005.00	1,831,649.18	22,052,820.53
Oregon.....	138,895.57	541,708.00	4,311,613.41	13,291,952.05
Pennsylvania.....	401,304.85	2,614,587.00	4,020,218.86	33,732,016.13
Rhode Island.....	120,918.30	314,106.00	159,770.03	2,987,567.59
South Carolina.....	277,899.98	618,927.00	1,758,629.16	7,426,915.52
South Dakota.....	88,782.12	202,000.00	704,058.06	4,199,438.53
Tennessee.....	264,429.23	568,623.00	4,421,493.84	14,417,074.37
Texas.....	465,279.27	2,329,622.00	3,448,662.38	37,681,720.70
Utah.....	123,808.52	385,286.00	1,972,426.79	6,979,617.13
Vermont.....	82,852.55	82,806.00	99,211.29	1,762,040.45
Virginia.....	246,189.31	982,190.00	2,481,013.21	8,477,575.27
Washington.....	200,849.26	936,444.00	2,741,872.44	22,803,112.83
West Virginia.....	161,629.21	611,411.00	1,501,974.64	7,707,691.33
Wisconsin.....	199,053.76	817,572.00	326,287.59	13,230,524.49
Wyoming.....	60,922.57	77,542.00	496,108.26	3,873,399.30
Alaska.....	120,546.99	25,654.00	.....	685,172.88
Hawaii.....	99,473.46	49,412.00	2,199,322.86	3,386,769.66
Puerto Rico.....	312,473.36	175,051.00	603,030.53	2,443,992.50
Undistributed.....	.....	.....	.....	176,056.49
Total.....	10,690,802.23	45,011,593.00	87,429,416.73	688,506,157.11

\* Comprises \$23,733,027.71 for Federal-aid highway system (regular), \$2,947,762.12 for Federal-aid secondary or feeder roads (regular), \$3,601,111.78 for Federal-aid grade crossing eliminations, \$46,278,957.30 for access roads, \$9,471,827.45 for strategic highway network and flight-strips, and \$1,396,730.37 for other expenditures.



TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued*

## PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS

State	Department of Agriculture				Department of the Interior	
	Encourage- ment of do- mestic con- sumption of agricultural products <sup>9</sup>	War housing	Agricultural adjustment program	Forest roads and trails	Territories and island possessions <sup>10</sup>	Wildlife restoration <sup>11</sup>
	(21)	(22)	(23)	(24)	(25)	(26)
Alabama.....	\$1,490,895.47	\$78.37	\$9,628,841.08	\$38,984.78	-----	\$21,429.27
Arizona.....	307,369.37	-----	1,420,286.69	210,257.73	-----	25,436.02
Arkansas.....	905,348.49	41.68	7,597,964.27	120,981.59	-----	19,826.61
California.....	1,647,796.48	3,572.98	11,133,976.90	1,101,073.79	-----	45,634.39
Colorado.....	269,496.33	-----	10,416,124.47	252,651.00	-----	29,459.92
Connecticut.....	206,614.31	-----	419,186.72	-----	-----	2,550.87
Delaware.....	133,254.78	-----	784,276.78	-----	-----	1,481.90
District of Colum- bia.....	24,768.60	-----	2,621,624.22	61,334.07	-----	-----
Florida.....	951,575.49	-----	3,474,690.55	81,435.96	-----	-----
Georgia.....	2,114,627.38	-----	7,692,188.86	86,257.04	-----	27,082.56
Idaho.....	200,257.11	-----	5,462,501.67	509,697.10	-----	12,061.02
Illinois.....	2,347,708.86	191.55	13,362,554.54	29,685.11	-----	89,297.31
Indiana.....	900,160.94	143.53	8,626,305.58	373.86	-----	31,916.08
Iowa.....	573,578.09	-----	14,514,225.77	-----	-----	14,088.22
Kansas.....	395,305.48	14,007.72	13,380,668.53	-----	-----	40,287.43
Kentucky.....	1,032,564.31	-----	9,497,623.65	74,398.26	-----	-----
Louisiana.....	1,396,729.83	-----	6,628,394.36	30,573.25	-----	14,000.49
Maine.....	196,098.30	-----	807,310.58	2,115.95	-----	17,544.71
Maryland.....	261,449.07	-----	2,517,850.99	-----	-----	11,871.34
Massachusetts.....	674,934.80	-----	634,738.84	-----	-----	11,675.00
Michigan.....	1,469,573.42	336.64	9,988,289.39	80,616.47	-----	80,090.90
Minnesota.....	962,367.37	-----	10,323,794.13	62,734.27	-----	67,700.24
Mississippi.....	928,591.33	-----	9,673,086.13	104,037.64	-----	14,079.51
Missouri.....	1,034,653.09	-----	12,998,244.06	49,340.66	-----	25,239.75
Montana.....	114,900.92	-----	8,138,248.38	500,813.41	-----	84,241.62
Nebraska.....	194,469.57	-----	11,771,487.85	1,482.99	-----	16,110.22
Nevada.....	27,208.13	-----	376,220.24	56,129.90	-----	-----
New Hampshire.....	72,248.80	-----	385,898.73	30,988.70	-----	-----
New Jersey.....	660,207.60	-----	1,543,971.23	-----	-----	13,564.58
New Mexico.....	173,487.29	-----	3,759,346.26	263,365.85	-----	42,292.38
New York.....	2,365,055.86	660.43	5,052,430.54	-----	-----	27,150.52
North Carolina.....	2,124,583.87	-----	6,943,134.28	100,680.78	-----	24,213.33
North Dakota.....	128,339.17	-----	6,447,065.67	83.93	-----	30,111.72
Ohio.....	1,719,465.45	-----	10,093,584.31	2,628.86	-----	90,599.27
Oklahoma.....	1,004,426.08	-----	11,834,314.94	8,980.74	-----	11,606.97
Oregon.....	347,583.52	-----	4,716,986.52	675,971.35	-----	63,842.57
Pennsylvania.....	819,191.73	-----	7,334,030.33	59,651.26	-----	54,129.67
Rhode Island.....	111,098.23	-----	102,622.02	-----	-----	1,366.19
South Carolina.....	1,970,288.03	-----	5,853,689.80	41,819.66	-----	6,007.55
South Dakota.....	170,191.67	-----	7,685,186.41	35,251.30	-----	8,638.93
Tennessee.....	1,623,833.51	-----	9,872,964.24	40,740.20	-----	12,024.43
Texas.....	2,912,213.18	91.33	33,693,932.23	120,731.00	-----	54,272.21
Utah.....	320,770.41	35.10	2,784,519.76	177,493.89	-----	23,615.15
Vermont.....	68,657.22	83.64	1,066,523.61	21,690.43	-----	4,991.76
Virginia.....	899,989.86	291.65	5,394,370.97	89,986.39	-----	15,638.35
Washington.....	649,390.72	3,470.81	3,809,094.50	353,655.23	-----	34,641.72
West Virginia.....	685,548.39	-----	3,009,447.04	62,749.17	-----	5,591.25
Wisconsin.....	711,188.09	-----	11,922,836.77	74,355.07	-----	50,025.99
Wyoming.....	109,175.37	-----	3,725,524.97	101,698.34	-----	13,157.55
Alaska.....	9,030.15	-----	7,062.46	79,308.46	-----	46,493.81
Caribbean.....	2,077,304.30	-----	-----	-----	-----	-----
Hawaii.....	250,411.73	-----	8,401,925.53	-----	-----	-----
Puerto Rico.....	-----	-----	14,203,499.49	6,822.09	-----	1,464.04
Virgin Islands.....	-----	-----	49,712.57	-----	\$100,000.00	-----
Total.....	42,745,977.55	23,005.43	363,584,380.41	5,803,627.53	100,000.00	1,338,545.32

<sup>9</sup> Represents school milk and lunch program expenditures formerly included in agricultural adjustment program.<sup>10</sup> Expenditures in Virgin Islands were from the account "Defraying Deficits in Treasuries of the Municipal Government, Virgin Islands, 1945."<sup>11</sup> Comprises \$1,306,449.83 under Wildlife Restoration Act; and \$32,095.49 under Alaska Game Law.

TABLE 103.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued*

PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS—Continued

State	War Department—National Guard	Federal Security Agency			Federal Works Agency	
		Training of nurses	Public Health Service <sup>12</sup>	Office of Education—Training of defense workers	Forest high-ways	Public Buildings Administration <sup>13</sup>
	(27)	(28)	(29)	(30)	(31)	(32)
Alabama.....	\$350.04	\$470,434.07	\$749,872.76	\$1,259,178.10	-----	\$136,562.91
Arizona.....	-----	199,608.02	69,204.00	473,727.57	\$105,974.13	397,410.89
Arkansas.....	-----	244,408.09	275,100.00	674,188.57	-----	59.00
California.....	308.90	1,971,220.40	438,823.00	4,154,505.24	108,807.65	2,754,196.60
Colorado.....	11,669.00	716,007.27	94,527.00	656,712.31	65,225.02	-----
Connecticut.....	62.33	1,081,345.47	106,060.00	401,592.61	-----	13,468.84
Delaware.....	-----	152,060.57	32,178.15	357,585.16	-----	-----
District of Columbia.....	1.94	650,397.89	78,980.00	125,213.30	-----	1,187,114.46
Florida.....	-----	425,386.26	639,588.22	1,710,079.21	-----	341,227.09
Georgia.....	-----	893,771.98	958,490.48	990,518.08	-----	911,508.15
Idaho.....	-----	203,708.96	42,664.00	253,502.79	180,940.63	7,645.74
Illinois.....	1,133.36	3,898,086.60	457,672.00	1,258,183.56	-----	229,485.69
Indiana.....	17.50	1,263,859.95	230,273.69	706,170.55	-----	179,526.89
Iowa.....	750.00	1,175,976.76	112,561.00	277,838.82	-----	1.63
Kansas.....	13.00	811,205.47	173,763.00	613,631.04	-----	111,720.78
Kentucky.....	-----	550,963.21	396,148.92	713,048.39	-----	322,462.43
Louisiana.....	-----	762,917.38	296,153.00	1,209,006.68	-----	173,695.30
Maine.....	1,125.00	405,460.43	55,505.95	206,601.52	-----	24,636.16
Maryland.....	682.01	827,378.56	171,350.00	600,398.79	-----	346,313.91
Massachusetts.....	502.05	2,576,464.71	142,546.00	640,231.51	-----	-----
Michigan.....	4,348.91	1,930,881.18	311,411.00	1,074,975.17	-----	667,888.98
Minnesota.....	12,549.44	2,041,946.14	169,438.00	964,819.02	-----	-----
Mississippi.....	-----	100,034.57	748,120.30	1,259,382.82	8,006.34	97,120.91
Missouri.....	273.45	1,384,875.43	570,448.61	1,219,102.48	-----	157,292.23
Montana.....	12.49	524,123.90	23,132.71	72,751.46	163,025.21	-----
Nebraska.....	-----	606,174.20	57,155.00	280,603.72	511.85	15,162.31
Nevada.....	-----	-----	13,700.00	16,818.94	1,787.51	378,627.38
New Hampshire.....	1,457.00	309,457.89	27,576.00	212,156.42	-----	-----
New Jersey.....	2,800.00	2,018,576.68	177,667.00	662,372.22	-----	114,507.32
New Mexico.....	2.00	47,143.14	67,985.90	145,467.42	36,597.52	330.89
New York.....	17,589.79	5,763,753.70	543,519.37	5,218,095.94	-----	129,305.75
North Carolina.....	-----	929,006.14	635,419.44	779,503.14	-----	169,408.71
North Dakota.....	487.37	527,367.76	56,567.00	118,344.82	-----	-----
Ohio.....	503.16	3,611,713.11	302,639.00	1,839,103.59	-----	215,084.96
Oklahoma.....	492.00	444,204.41	247,439.57	652,316.27	-----	168,631.93
Rhode Island.....	2,271.43	650,247.80	77,096.82	1,805,873.42	100,453.59	410,501.43
Pennsylvania.....	1.00	5,242,936.44	391,303.17	3,701,474.64	-----	349,428.17
Rhode Island.....	-----	527,460.88	40,332.49	280,893.23	-----	-----
South Carolina.....	156.87	567,470.31	358,319.66	478,746.13	-----	11,911.50
South Dakota.....	-----	493,334.09	43,847.38	72,231.61	1,652.72	74,485.61
Tennessee.....	-----	1,004,629.67	344,812.08	995,247.83	-----	119,350.40
Texas.....	797.60	2,002,900.78	718,900.00	1,996,085.08	-----	5,465.06
Utah.....	-----	396,273.88	45,524.00	1,080,337.30	41,517.69	153,001.86
Vermont.....	1,498.63	217,932.12	23,042.07	144,970.60	-----	-----
Virginia.....	1,248.45	1,016,259.75	458,527.85	826,529.26	18.15	830,769.03
Washington.....	-----	1,123,325.36	120,092.15	3,265,198.42	25,000.04	806,622.90
West Virginia.....	75.00	570,005.28	493,751.14	993,389.98	540.56	13,935.31
Wisconsin.....	126.34	1,032,324.44	148,993.00	604,677.75	-----	10,457.04
Wyoming.....	1,314.27	41,726.27	22,236.70	177,123.10	44,884.74	155.02
Alaska.....	-----	-----	35,844.00	-----	261,939.69	-----
Hawaii.....	-----	-----	66,736.00	350,702.62	-----	-----
Newfoundland.....	-----	-----	-----	-----	-----	18,203.80
Puerto Rico.....	-----	-----	424,433.46	199,259.20	-----	-----
Virgin Islands.....	-----	-----	17,679.00	-----	-----	-----
Undistributed.....	233,901.36	-----	-----	-----	-----	-----
Total.....	298,521.69	54,406,747.37	13,305,151.04	48,770,467.40	1,146,883.04	12,048,684.97

<sup>12</sup> Comprises \$9,482,196.26, Expenses Division of Venereal Diseases, Public Health Service; \$1,370,114.00, control of tuberculosis, Public Health Service; and \$2,452,840.78, community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to Federal Security Agency, Public Health Service).

<sup>13</sup> Excluded from this report are expenditures for public buildings construction under direct appropriations and for war housing under funds made available by the National Housing Agency, heretofore reported in this table, due to the conviction that such expenditures are not proper for reporting under the "Aid" designation.

TABLE 103.—Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1945—Continued

PART B.—GRANTS TO AND EXPENDITURES WITHIN STATES PROVIDING DIRECT RELIEF, WORK RELIEF, AND OTHER AID, EXCLUSIVE OF LOANS—Continued

State	Federal Works Agency—Con.		National Housing Agency, Federal Public Housing Authority annual contributions	Total payments within States	Grand total
	Liquidation programs <sup>14</sup>	Office of the Administrator- Bureau of Community Facilities			
	(33)	(34)	(35)	(36)	(37)
Alabama.....		\$3,589,853.79	\$196,110.70	\$17,582,591.34	\$26,674,186.94
Arizona.....		1,153,313.07	17,195.06	4,379,782.55	10,343,638.06
Arkansas.....		429,850.30	5,977.52	10,273,746.12	18,545,573.64
California.....		16,503,705.89	63,379.72	39,927,001.94	102,628,915.71
Colorado.....		645,925.65	11,616.02	13,169,413.99	27,186,063.90
Connecticut.....		1,131,252.10	341,362.10	3,703,495.35	9,692,954.56
Delaware.....		214,177.79		1,675,015.13	2,872,906.01
District of Columbia.....	\$16,316.89	1,949,448.94	82,852.27	6,798,052.58	8,519,795.20
Florida.....		3,346,296.43	277,898.72	11,248,177.93	25,625,848.59
Georgia.....		5,315,739.27	495,213.08	19,485,396.88	31,681,368.91
Idaho.....		147,673.83	6,163.03	7,026,815.88	11,750,833.79
Illinois.....	16,596.15	5,278,693.51	260,553.68	27,229,841.92	65,486,961.81
Indiana.....		1,398,558.04	92,953.55	13,430,260.16	29,952,276.50
Iowa.....		621,840.59		17,290,860.88	30,015,344.94
Kansas.....		1,054,403.54		16,595,005.99	25,239,718.03
Kentucky.....		902,568.99	305,643.85	13,846,422.01	23,688,905.72
Louisiana.....		1,047,102.16	589,777.20	12,097,349.65	26,744,069.16
Maine.....		510,817.89		2,227,216.49	7,618,015.23
Maryland.....		1,576,828.51	198,253.06	6,506,376.24	13,521,185.45
Massachusetts.....	66,789.38	835,094.03	487,075.76	6,070,052.08	29,840,879.36
Michigan.....		5,648,609.91	29,054.27	21,286,076.24	52,341,004.11
Minnesota.....		1,023,917.32		15,629,265.93	31,575,659.77
Mississippi.....		1,174,833.57	122,169.59	14,229,462.71	22,021,416.72
Missouri.....		2,109,924.37		19,549,394.13	29,443,771.61
Montana.....		460,083.89	25,083.44	10,106,417.43	15,900,708.87
Nebraska.....	2,075,000.00	796,804.23	103,196.79	15,918,158.73	25,160,060.96
Nevada.....		151,249.27		1,021,741.37	3,569,130.70
New Hampshire.....		45,047.58		1,084,831.12	3,790,591.08
New Jersey.....		1,042,884.05	867,893.83	7,104,444.51	17,670,994.38
New Mexico.....		116,871.20		4,652,889.85	9,471,239.73
New York.....	289,873.79	2,706,897.47	727,837.34	23,842,170.50	65,429,807.70
North Carolina.....	1,662,400.42	2,412,429.39	222,222.35	16,003,001.85	26,196,170.75
North Dakota.....		160,885.93		7,469,253.37	12,076,768.93
Ohio.....		3,670,514.95		21,545,836.66	55,919,152.05
Oklahoma.....		1,438,067.22		15,810,480.13	37,863,300.66
Oregon.....		2,404,135.15		11,254,963.60	24,546,915.65
Pennsylvania.....		1,666,628.47	870,641.03	20,489,415.91	54,221,432.04
Rhode Island.....		443,537.66	16,875.58	1,524,186.28	4,511,753.87
South Carolina.....	75,000.00	2,226,775.67	70,577.77	11,660,762.95	19,087,678.47
South Dakota.....		373,821.56		8,958,641.28	13,158,079.81
Tennessee.....		2,660,646.43	340,509.08	17,014,757.87	31,431,832.24
Texas.....		5,911,912.06	384,023.34	47,801,323.87	85,483,044.57
Utah.....		1,543,266.45		6,566,355.49	13,545,972.62
Vermont.....		33,111.56		1,582,501.64	3,344,542.09
Virginia.....		6,755,391.53	16,937.13	16,305,958.37	24,783,533.64
Washington.....		7,973,031.27	66,102.71	18,229,625.83	41,032,738.66
West Virginia.....		381,731.14	150,135.32	6,366,899.58	14,074,590.91
Wisconsin.....		836,403.76		15,391,388.25	28,621,912.74
Wyoming.....		133,269.22		4,370,265.55	8,243,664.85
Alaska.....		331,228.96		770,907.53	1,456,080.41
Caribbean.....				2,077,304.30	2,077,304.30
Hawaii.....		1,442,082.95	27,527.42	10,539,386.25	13,926,155.91
Newfoundland.....				18,203.80	18,203.80
Puerto Rico.....	22,677.82	2,461,925.70	249,487.99	17,569,569.79	20,013,562.29
Virgin Islands.....		31,125.41		198,516.98	198,516.98
Undistributed.....		180,442.45		414,343.81	590,400.30
Total.....	4,224,654.45	108,402,632.07	8,722,300.30	664,921,578.57	1,353,427,735.68

<sup>14</sup> Comprises \$4,201,976.63 for liquidation of Public Works Administration and \$22,677.82 for liquidation of work relief in Puerto Rico and the Virgin Islands. The Federal Works Agency reported expenditures in 1945 of \$40,323.19 for liquidation of the Work Projects Administration, which are not included in this table.



TABLE 104.—Number and amount of awards of the Mixed Claims Commission, United States and Germany, certified to the Secretary of the Treasury by the Secretary of State and the amount paid and balance due, by classes, as of Sept. 30, 1945

Awards certified	Total number of awards	Total amount	Class I		Class II		Class III		Private Law No. 509, approved July 19, 1940		United States Government	
			Num-ber of awards	Awards on account of death and personal injury	Num-ber of awards	Awards of \$100,000 and less	Num-ber of awards	Awards over \$100,000	Num-ber of awards	Amount	Num-ber of awards	Amount
1. Amount due on account:												
Principal of awards:	4,734	\$175,955,880.92	424	\$3,549,437.75	3,996	\$15,562,321.98	310	\$114,809,326.78			4	\$42,034,794.41
Agreement of Aug. 10, 1922	2,291	5,582,354.38	115	556,625.00	2,169	2,447,803.92	7	2,577,925.46				
Agreement of Dec. 31, 1928		160,000.00							1	\$160,000.00		
Private Law No. 509	1											
		181,698,235.30		4,106,062.75		18,010,125.90		117,387,252.24		160,000.00		42,034,794.41
Less amounts paid by Alien Property Custodian and others		187,226.85				48,012.50		139,214.35				
		181,511,008.45		4,106,062.75		17,962,113.40		117,248,037.89		160,000.00		42,034,794.41
Interest to Jan. 1, 1928, at rates specified in awards:												
Agreement of Aug. 10, 1922		78,751,456.32		745,302.98		7,113,930.76		51,682,897.36				19,209,325.22
Agreement of Dec. 31, 1928		2,649,630.04		115,976.22		971,159.15		1,562,494.67				
Private Law No. 509		64,000.00								64,000.00		
		81,401,086.36										
Total payable to Jan. 1, 1928		262,976,094.81		4,967,341.95		26,047,203.31		170,493,429.92		224,000.00		61,244,119.63
Interest thereon to date of payment or, if unpaid Sept. 30, 1945, at 5% per annum as specified in the Settlement of War Claims Act of 1928												
		117,823,556.07		236,195.75		2,061,598.87		61,026,846.53		157,308.77		54,341,606.15
		380,799,650.88		5,203,537.70		28,108,802.18		231,520,276.45		381,308.77		115,585,725.78
2. Payments made on account to Sept. 30, 1945:												
Principal of awards:	14,407	146,099,541.07	424	3,549,437.75	3,983	15,497,158.79		1127,052,944.53				
Agreement of Aug. 10, 1922	12,254	6,140,989.78	115	556,625.00	2,149	2,445,886.69		3,138,478.09				
Agreement of Dec. 31, 1928												
Private Law No. 509		165,053.06								1165,053.06		



[illegible]

<sup>1</sup> Includes payments on account of interest to Jan. 1, 1928, on Class III awards and Private Law No. 509. Payments on this class of awards are first applied on account of the total amount payable as of Jan. 1, 1928, as directed by the Settlement of War Claims Act of 1928 until total of all payments on the 3 classes equals 80 percent of the amount payable Jan. 1, 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims deferred in accordance with act.

<sup>2</sup> See note 1.  
<sup>3</sup> Payment of accrued interest since Jan. 1, 1920, on this class of claims deferred in accordance with act, Jan. 27, 1920.

<sup>3</sup> Of the \$779,513.36 of deductions from payments under the agreement of Aug. 10, 1922, and under Private Law No. 509, \$779,505.05 has been covered into the Treasury as miscellaneous receipts. A further sum of \$8.31 will be covered into the Treasury at a later date.

4 Of this amount \$24 150.00 has been paid to the Government of Germany. A further sum of \$14 468.05 is payable in connection with the redemption of late claims under the railroads receipts. A further sum of \$8.31 will be covered into the Treasury at a later date.

\* Of this amount \$24,100.09 has been paid to the Government of Germany. A further sum of \$14,400.95 is payable in connection with the adjudication of late claims under the agreement of Dec. 31, 1928.

<sup>5</sup> Interest accrued from Jan. 1, 1928, to Mar. 11, 1940, on \$26,612.06 representing awards plus interest to Jan. 1, 1928. No applications filed by claimants. Time for filing applications expired Mar. 11, 1940.

## BUDGET ESTIMATES

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947

[On basis of 1947 Budget document]

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS</b>			
<b>1. Internal revenue:</b>			
(1) Income and excess profits taxes:			
Corporation:			
Current taxes:			
Income.....	\$4,185,300,000	\$3,838,000,000	\$4,421,681,598.24
Excess profits.....	2,983,900,000	6,791,800,000	10,111,895,400.16
Declared value excess profits.....	39,300,000	73,800,000	117,917,203.60
Total current corporation.....	7,208,500,000	10,703,600,000	14,651,494,202.00
Back taxes:			
Income.....	403,600,000	498,300,000	458,033,782.62
Excess profits.....	565,000,000	820,400,000	891,624,222.60
Declared value excess profits.....	14,400,000	19,000,000	25,880,623.57
Unjust enrichment.....	20,000	80,000	179,995.24
Total back corporation.....	983,020,000	1,337,780,000	1,375,718,624.03
Total corporation.....	8,191,520,000	12,041,380,000	16,027,212,826.03
Individual:			
Current taxes:			
Income tax withheld:			
Collections by Bureau of Internal Revenue.....	5,693,000,000	8,719,000,000	10,264,219,340.18
Adjustment to daily Treasury statement basis <sup>2</sup> .....	+17,000,000	-658,000,000	+25,030,620.74
Total income tax withheld..	5,710,000,000	8,061,000,000	10,289,249,960.92
Income tax not withheld:			
Collections by Bureau of Internal Revenue.....	6,178,000,000	6,805,000,000	8,258,542,087.53
Adjustment to daily Treasury statement basis <sup>3</sup> .....			+86,494,552.32
Total income tax not withheld.....	6,178,000,000	6,805,000,000	8,345,036,639.85
Total current individual....	11,888,000,000	14,866,000,000	18,634,286,600.77
Back taxes.....	300,000,000	314,000,000	511,551,946.62
Total individual.....	12,188,000,000	15,180,000,000	19,145,838,547.39
Total income and excess profits taxes.....	20,379,520,000	27,221,380,000	35,173,051,373.42
(2) Miscellaneous internal revenue: <sup>4</sup>			
Capital stock tax.....	100,000	352,300,000	371,999,130.71
Estate tax.....	628,000,000	608,000,000	596,137,494.42
Gift tax.....	58,200,000	56,800,000	46,917,582.55
Liquor taxes:			
Distilled spirits (domestic and imported) (excise tax) <sup>5</sup> .....	1,667,900,000	1,621,100,000	1,484,303,450.46
Fermented malt liquors <sup>5</sup> .....	635,700,000	638,200,000	638,682,102.13
Rectification tax <sup>5</sup> .....	41,800,000	41,800,000	32,549,437.48
Wines (domestic and imported) (excise tax) <sup>6</sup> .....	51,200,000	47,200,000	47,390,796.67
Special taxes in connection with liquor occupations.....	11,900,000	11,400,000	11,438,097.18
Container stamps.....	11,900,000	11,700,000	11,213,301.59
Floor stocks taxes.....	40,000	730,000	83,343,159.15
All other.....	500,000	600,000	892,041.27
Total liquor taxes.....	2,420,940,000	2,372,730,000	2,309,812,385.93

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>1. Internal revenue—Continued.</b>			
<b>(2) Miscellaneous internal revenue—Con.</b>			
Tobacco taxes:			
Cigarettes (small) \$.....	\$1,026,700,000	\$1,043,200,000	\$836,057,645.11
Tobacco (chewing and smoking) \$.....	40,000,000	44,000,000	49,574,476.19
Cigars (large) \$.....	46,300,000	42,500,000	36,593,490.47
Snuff.....	7,600,000	7,700,000	7,740,870.07
Cigarette papers and tubes.....	1,800,000	2,200,000	1,390,251.61
All other \$.....	90,000	260,000	780,355.46
Total tobacco taxes.....	1,122,490,000	1,139,860,000	932,137,088.91
Stamp taxes:			
Issues of securities, bond transfers, and deeds of conveyance.....	46,400,000	40,900,000	33,157,134.53
Stock transfers.....	31,700,000	28,500,000	24,852,469.21
Playing cards \$.....	7,600,000	7,900,000	7,492,873.63
Silver bullion sales or transfers.....	40,000	220,000	25,037.28
Total stamp taxes.....	85,740,000	77,520,000	65,527,514.65
Manufacturers' excise taxes:			
Gasoline.....	409,300,000	416,800,000	405,563,011.25
Lubricating oils.....	80,600,000	83,300,000	92,865,058.19
Passenger automobiles and motorcycles.....	231,300,000	36,000,000	2,558,201.98
Automobile trucks, busses, and trailers.....	39,400,000	29,900,000	20,847,485.33
Parts and accessories for automobiles.....	51,900,000	53,300,000	49,439,742.82
Tires and inner tubes.....	144,000,000	108,700,000	75,256,944.70
Electrical energy.....	56,200,000	56,500,000	57,003,655.93
Electric, gas, and oil appliances.....	30,800,000	19,800,000	12,060,107.06
Electric light bulbs.....	15,000,000	15,800,000	11,035,319.69
Radio receiving sets, phonographs, phonograph records, and musical instruments.....	18,200,000	13,000,000	7,696,094.12
Refrigerators, refrigerating apparatus, and air-conditioners.....	5,900,000	3,700,000	1,637,263.71
Business and store machines.....	24,700,000	16,000,000	10,119,968.50
Photographic apparatus.....	35,400,000	22,200,000	19,287,853.99
Matches.....	11,200,000	10,900,000	9,348,616.89
Sporting goods.....	9,600,000	6,800,000	4,247,751.87
Firearms, shells, pistols, and revolvers.....	7,700,000	5,000,000	3,137,346.81
Total manufacturers' excise taxes.....	1,171,200,000	897,700,000	782,104,422.84
Retailers' excise taxes:			
Jewelry, etc.....	171,200,000	192,300,000	184,219,868.93
Furs.....	59,100,000	74,900,000	79,418,428.87
Toilet preparations.....	68,600,000	82,400,000	86,615,198.00
Luggage, handbags, wallets, etc.....	63,600,000	73,700,000	73,851,428.73
Total retailers' excise taxes.....	362,500,000	423,300,000	424,104,924.53
Miscellaneous taxes:			
Telephone, telegraph, radio and cable facilities, leased wires, etc.....	200,200,000	221,800,000	208,018,146.35
Local telephone service.....	136,700,000	138,500,000	133,569,036.46
Transportation of oil by pipe line.....	12,900,000	13,800,000	16,286,295.17
Transportation of persons.....	212,700,000	218,100,000	234,181,651.34
Transportation of property.....	185,800,000	204,900,000	221,087,660.18
Admissions, exclusive of cabarets, roof gardens, etc.....	255,000,000	300,800,000	300,588,875.99
Cabarets, roof gardens, etc.....	66,300,000	69,600,000	56,877,239.29
Club dues and initiation fees.....	14,200,000	15,200,000	14,159,650.19
Leases of safe deposit boxes.....	6,000,000	6,800,000	7,311,450.27
Use of motor vehicles and boats.....	6,100,000	116,400,000	129,037,159.88
Coconut and other vegetable oils processed \$.....	8,300,000	6,400,000	6,207,822.74
Oleomargarine, etc., including special taxes and adulterated butter.....	3,800,000	5,000,000	5,561,508.69
Sugar tax.....	56,000,000	50,800,000	73,293,966.35

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Internal revenue—Continued.</b>			
(2) Miscellaneous internal revenue—Continued.			
Miscellaneous taxes—Continued.			
Coin-operated amusement and gaming devices.....	\$18,000,000	\$18,000,000	\$19,100,311.80
Bowling alleys, and billiard and pool tables.....	4,200,000	4,200,000	4,159,820.16
All other, including repealed taxes <sup>2</sup> .....	800,000	1,000,000	1,452,903.99
Total miscellaneous taxes.....	1,181,000,000	1,391,300,000	1,430,893,498.85
Total miscellaneous internal revenue (collection basis).....	7,030,170,000	7,319,510,000	6,959,634,043.39
Adjustment to daily Treasury statement basis <sup>3</sup> .....			-10,184,762.49
Total miscellaneous internal revenue (daily Treasury statement basis).....	7,030,170,000	7,319,510,000	6,949,449,280.90
(3) Employment taxes:			
Taxes on employment by other than carriers:			
Federal Insurance Contributions Act.....	1,464,000,000	1,130,600,000	1,309,919,400.41
Federal Unemployment Tax Act.....	148,900,000	174,600,000	184,544,012.05
Total.....	1,612,900,000	1,305,200,000	1,494,463,412.46
Taxes on carriers and their employees (Chap. 9, Subchap. B of the Internal Revenue Code).....	233,600,000	264,100,000	285,037,861.86
Total employment taxes.....	1,846,500,000	1,569,300,000	1,779,501,274.32
Total internal revenue.....	29,256,190,000	36,110,190,000	43,902,001,928.64
<b>2. Railroad unemployment insurance contributions.....</b>	10,000,000	12,000,000	13,198,862.30
<b>3. Customs.....</b>	433,700,000	413,200,000	354,775,541.50
<b>4. Miscellaneous receipts:</b>			
(1) Miscellaneous taxes:			
General accounts:			
Immigration head tax.....	250,000	250,000	399,459.00
Tonnage tax.....	2,010,000	2,010,000	2,013,503.32
Taxes, Canal Zone.....	100,000	100,000	123,018.14
Special accounts:			
Federal intermediate credit banks franchise tax.....	150,000	306,000	231,011.41
Taxes on firearms, shells, and cartridges, sec. 3407, Internal Revenue Code.....	10,000,000	6,000,000	3,132,402.04
Total miscellaneous taxes.....	12,510,000	8,666,000	5,899,393.91
(2) Assessments:			
General accounts:			
Overtime service, Federal Communications Commission.....	4,000	3,000	3,128.91
Overtime service, marine inspection and navigation.....	70,000	75,000	75,136.97
Special accounts:			
Assessments, examination costs, and supervisory services for banks and corporations, Farm Credit Administration, act July 22, 1942 (56 Stat. 700).....	2,772,000	2,960,000	3,094,214.33
Revenues, Colorado River Dam fund, All-American Canal, act Dec. 21, 1928 (45 Stat. 1057).....	15,000	15,000	12,072.28
Revenues, Colorado River Dam fund, Boulder Canyon project, act Dec. 21, 1928 (45 Stat. 1057).....	7,000,000	7,000,000	6,981,574.79
Total assessments.....	9,861,000	10,053,000	10,166,127.28

Footnotes on p. 748.



TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(3) Fees:			
General accounts:			
Admission fees.....	\$4, 400	\$4, 600	\$2, 818. 58
Admission of attorneys to practice before executive departments and establishments.....	4, 500	4, 500	4, 110. 00
Agricultural Commodities Act.....	265, 000	255, 000	163, 493. 83
Canal Zone.....	5, 000	5, 000	5, 489. 11
Clerks, United States courts.....	1, 000, 000	1, 000, 000	896, 487. 10
Commissions on telephone pay stations in Federal buildings.....	1, 951, 000	2, 397, 000	2, 678, 119. 53
Consular and passport.....	3, 602, 000	2, 921, 000	1, 729, 272. 43
Copying.....	89, 000	89, 000	81, 229. 83
Copyright.....	325, 000	325, 000	309, 236. 40
Court of Claims.....	6, 000	6, 000	5, 259. 65
Certifying railroad tariffs.....	3, 000	3, 000	3, 406. 76
Court of Customs and Patent Appeals.....	5, 000	5, 000	4, 834. 50
Customs.....	22, 000	22, 000	21, 450. 40
Fees and other charges, financing war contracts.....	9, 000, 000	10, 000, 000	11, 671, 059. 59
Fees, sale of timber (Indians).....	175, 000	185, 000	183, 116. 27
Federal Firearms Act.....	20, 000	20, 000	17, 452. 16
Filing fees, Trust Indenture Act of 1939, Securities and Exchange Commission.....	1, 800	1, 800	1, 400. 00
Food, Drug, and Cosmetic Act, fees, secs. 506 (b) and 706.....	318, 000	234, 000	42, 843. 89
Inspection of tobacco.....	2, 500	2, 500	1, 312. 71
Immigration, registration (earned).....	120, 000	120, 000	156, 672. 00
Immigration fees, cancelation of deportation proceedings.....	50, 000	50, 000	66, 924. 00
Inspection and grading of farm products.....	152, 000	152, 000	149, 145. 12
Marshals, United States courts.....	88, 000	88, 000	68, 413. 60
Migratory-bird hunting stamps.....	1, 400, 000	1, 400, 000	1, 498, 848. 00
Naturalization (earned).....	1, 200, 000	1, 200, 000	1, 231, 692. 35
Naval stores grading.....	2, 500	2, 500	1, 720. 80
Navigation.....	216, 000	216, 000	215, 696. 20
Patents (earned).....	4, 200, 000	4, 000, 000	3, 777, 631. 87
Registration fees, correspondence courses.....	16, 000	12, 000	8, 256. 00
Registration, securities and exchanges.....	540, 000	520, 000	441, 860. 55
Registration under Neutrality Act.....	40, 000	37, 000	26, 000. 00
Services performed for Indians.....	140, 000	150, 000	148, 217. 65
Testing.....	225, 000	225, 000	197, 762. 19
Testing fees, enforcement of Tea Importation Act.....	32, 000	32, 000	32, 098. 68
The Tax Court of the United States.....	40, 000	40, 000	40, 491. 30
Vending machines.....	9, 000	11, 000	16, 629. 46
Warehouse Act.....	15, 000	15, 000	15, 488. 00
Water and power rights.....			2, 439. 36
Other.....	3, 900	3, 500	2, 811. 83
Special accounts:			
Fees and commissions, land offices, act June 17, 1902 (32 Stat. 388).....	50, 000	50, 000	74, 256. 89
Deposits, fees, and other charges, financing war contracts.....	6, 000, 000	8, 000, 000	20, 635, 396. 64
Total fees.....	31, 336, 600	33, 804, 400	46, 630, 845. 23
(4) Fines and penalties:			
General accounts:			
Antinarcotic laws.....	11, 500	11, 500	10, 499. 20
Antitrust laws.....	700, 000	500, 000	452, 184. 37
Canal Zone.....	45, 000	45, 000	51, 878. 70
Customs Service.....	326, 000	326, 000	325, 866. 60
Emergency price control and Second War Powers Act.....	1, 000, 000	3, 250, 000	3, 296, 611. 25
Enforcement of National Prohibition Act.....	21, 500	21, 500	21, 568. 37

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
4. Miscellaneous receipts—Continued.			
(4) Fines and penalties—Continued.			
General accounts—Continued.			
Immigration and Naturalization Service.....	\$206,000	\$206,000	\$46,960.00
Internal revenue.....	4,000	4,000	4,785.47
Interstate Commerce Act.....	125,000	125,000	227,435.14
Liquidated damages.....	167,000	185,000	237,120.01
Navigation.....	78,000	78,000	88,374.20
Penalties, cotton marketing quotas, Agricultural Adjustment Act of 1938.....	26,000	26,000	129,551.44
Penalties, peanut marketing quotas, Agricultural Adjustment Act of 1938.....		65,000	30,447.50
Penalties, tobacco marketing quotas, Agricultural Adjustment Act of 1938.....	1,970,000	860,000	337,322.54
Penalties, wheat marketing quotas, Agricultural Adjustment Act of 1938.....	180,000	1,500,000	5,961,582.17
Public Health Service.....	200	200	126.50
Public lands and reservations.....	5,800	5,800	27,379.44
Tribal damages, Emergency Price Control Act.....	12,007,000	23,008,000	20,835,181.65
Violations, air-traffic regulations.....	12,000	11,000	8,308.45
Violating regulations and 8-hour law of 1912.....	562,000	563,000	708,833.10
Violations, Federal Alcohol Administration Act.....	500,000	500,000	459,500.00
Violations, Fair Labor Standards Act of 1938.....	85,000	85,000	83,052.96
Violations, Public Contracts Act.....	720,000	720,000	717,914.84
Other.....	2,141,000	2,146,000	2,135,197.78
Total fines and penalties.....	20,893,000	34,242,000	36,197,681.68
(5) Forfeitures:			
General accounts:			
Bonds of aliens, contractors, etc.....	541,000	543,000	523,105.12
Bonds under Narcotic Act.....	6,000	6,000	5,259.62
Bonds under National Prohibition Act.....	122,000	122,000	87,286.30
Bribes to United States officers.....	4,500	5,000	12,871.44
Excess proceeds of withheld Veterans' Administration foreign checks.....	200,000	750,000	5,477,569.74
Customs Service.....	422,000	422,000	430,832.43
Effects of deserters and enlisted men.....	700	700	639.27
Funds and proceeds from other public property captured from the enemy.....	1,000,000	5,023,000	3,494,909.10
From espionage activities.....			4,038.00
Secret Service Division.....	800	800	625.23
Unclaimed funds and abandoned personal property.....	19,000	209,000	577,165.61
Unclaimed and abandoned merchandise.....	95,000	95,000	95,078.60
Unclaimed moneys and wages remaining in registry of courts.....	155,000	155,000	159,006.55
Unclaimed odd pennies in employees' payroll allotment accounts for war savings bonds.....	24,200	24,400	24,068.88
Unexplained balances in cash accounts.....	11,400	101,000	86,855.52
Other.....	41,000	64,000	126,833.85
Special account:			
Bonds of aliens (United States securities).....	5,000	5,000	2,000.00
Total forfeitures.....	2,647,600	7,525,900	11,108,145.26

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(6) Gifts and contributions:			
General accounts:			
Donations to the United States.....	\$107, 000	\$221, 000	\$1, 376, 514. 36
Donations to the United States for war activities.....		40, 000	118, 342. 65
Moneys received from persons known.....	1, 008, 000	1, 514, 000	2, 235, 198. 98
Moneys received from persons unknown.....	23, 000	24, 000	31, 706. 88
Residue of funds of quasi-governmental organizations.....	3, 000	5, 000	50, 714. 29
Return of grants, Farm Security Administration.....	6, 000	14, 000	65, 945. 19
Special account:			
Deposits, war contributions, act Mar. 27, 1942.....		110, 200, 000	1, 376, 505. 27
Total gifts and contributions.....	1, 147, 000	112, 018, 000	5, 254, 927. 62
(7) Interest, exchange, and dividends:			
General accounts:			
Dividends on shares of Federal savings and loan associations.....	35, 000	50, 000	93, 087. 25
Dividends on capital stock of Panama Railroad Co., owned by the United States.....	700, 000	2, 100, 000	2, 800, 000. 00
Earnings from payments to Federal Reserve Banks for industrial loans.....	150, 000	150, 000	326, 717. 69
Earnings of War Finance Corporation.....			784. 68
Federal control of transportation systems (repayments to appropriations).....	5, 000	5, 000	55, 291. 20
Gain by exchange.....	80, 000	122, 000	851, 938. 05
Interest earned on Commodity Credit Corporation securities.....	30, 000, 000	25, 000, 000	12, 546, 806. 11
Interest collections of Farm Security Administration.....		1, 000	3, 841. 47
Interest earned on Home Owners' Loan Corporation bonds.....	6, 710, 000	8, 780, 000	4, 726, 262. 39
Interest earned on Tennessee Valley Authority securities.....	571, 000	571, 000	570, 790. 62
Interest earned on Export-Import Bank securities.....	6, 411, 000		
Interest earned on United States Housing Authority notes.....	3, 830, 000	3, 830, 000	5, 868, 901. 10
Interest from Central Branch, Union Pacific Railroad.....	5, 000	5, 000	23, 433. 09
Interest on advances to Colorado River Dam fund, Boulder Canyon project.....	3, 250, 000	5, 000, 000	4, 500, 000. 00
Interest on construction costs of public works in Colon and Panama, War Department.....		19, 800	32, 283. 44
Interest on advance payments to contractors.....	1, 900, 000	10, 900, 000	15, 655, 987. 23
Interest on deferred collections or payments.....	3, 564, 000	5, 676, 000	3, 222, 700. 14
Interest on emergency crop loans, Farm Credit Administration.....			95, 162. 13
Interest on emergency crop loans incident to removal of enemy aliens.....	2, 000	5, 000	18, 422. 42
Interest on farmers' seed and feed loans.....			325, 055. 93
Interest on loan to District of Columbia for black-out expenses.....			8, 350. 42
Interest on loans for Indian rehabilitation.....	2, 000	2, 000	2, 383. 67
Interest on funded obligations of foreign governments held by the United States under refunding agreements.....	315, 000	317, 000	304, 227. 17

Footnotes on p. 748.

TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	* Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(7) Interest, exchange, and dividends—Con. General accounts—Continued.			
Interest on Government-owned securities.....	\$2, 155, 000	\$2, 225, 000	\$1, 653, 704. 57
Interest on loans, Puerto Rico Reconstruction Administration.....	35, 000	25, 000	19, 393. 95
Interest on loans, relief in stricken agricultural areas.....			1, 084, 902. 18
Interest on loans, Rural Electrification Administration.....	16, 600	15, 000	8, 709. 91
Interest on loans to States, municipalities, etc., Federal Works Agency.....	221, 000	155, 000	104, 370. 90
Interest on public deposits.....	369, 000	440, 000	607, 567. 15
Loans to railroads after termination of Federal control (repayments to appropriations).....	75, 000	75, 000	98, 711. 30
Interest and premiums on obligations of Reconstruction Finance Corporation.....	88, 550, 000	86, 800, 000	82, 596, 128. 98
Military and naval insurance, Veterans' Administration, premiums on term insurance (repayments to appropriations).....	80, 000	80, 000	87, 001. 09
Interest on securities received from Reconstruction Finance Corporation.....	1, 000	1, 000	810. 00
Interest and profits on Federal Farm Mortgage Corporation bonds.....	126, 000	1, 098, 000	2, 242, 010. 77
Other.....	100	100	842. 26
Special account:			
Interest and profits on investments, Pershing Hall Memorial fund.....	5, 000	5, 000	4, 933. 70
Total interest, exchange, and dividends.....	149, 163, 700	153, 452, 900	140, 541, 512. 96
(8) Mint receipts:			
General accounts:			
Profits on coinage, bullion, deposits, etc.....	10, 646, 000	35, 505, 000	46, 402, 871. 99
Seigniorage.....	111, 000, 000	84, 500, 000	77, 593, 501. 99
Total mint receipts.....	121, 646, 000	120, 005, 000	123, 996, 373. 98
(9) Permits, privileges, and licenses:			
General accounts:			
Alaska fund.....	175, 000	175, 000	184, 875. 35
Business concessions.....	697, 000	958, 000	908, 352. 79
Immigration reentry permits (earned).....	30, 000	30, 000	36, 570. 05
Licenses under Federal Power Act.....	161, 000	161, 000	161, 621. 42
Permits to enter national parks.....	1, 733, 000	796, 000	386, 339. 88
Permits, fishing and hunting.....	27, 000	27, 000	28, 528. 87
Permits to operate motor vehicles.....			1, 005. 50
Power permits.....	23, 000	24, 000	21, 636. 93
Revenues, Washington National Airport.....	600, 000	550, 000	576, 910. 12
Rights-of-way on and occupancy of public lands and reservations.....	25, 000	25, 000	27, 128. 98
Other.....	300	300	325. 54
Special accounts:			
Licenses under Federal Power Act.....	214, 000	211, 000	214, 038. 57
Receipts under Grazing Act, June 28, 1934.....	520, 000	520, 000	500, 330. 61
Revenues, Indian Arts and Crafts Board.....	100	100	. 00
Revenues, purchase of lands and other property, Mammoth Cave National Park.....	15, 000	15, 000	3, 458. 24
Total permits, privileges, and licenses.....	4, 220, 400	3, 492, 400	3, 049, 200. 85



TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(10) Reimbursements:			
General accounts:			
Auditing accounts of American Red Cross.....	\$20,000	\$30,000	\$28,155.29
Bankruptcy Act, Interstate Commerce Commission.....	7,300	7,100	4,946.72
Cable and radio messages.....	25,000	25,000	23,013.57
Savings, communication services.....			310,629.30
Collections under Cotton Standards Act.....	260,000	260,000	257,926.85
Collections under Grain Standards Act.....	85,000	85,000	71,668.60
Compensation received by Federal employees from private sources.....	300	300	375.02
Construction charges (Indian Service).....	22,000	22,000	12,473.37
Cost of administration, Federal Power Act.....	633,000	500,000	610,866.90
Cost of handling penalty mail.....	17,693,000	18,130,000	10,749,011.34
Costs from estates of deceased Indians.....	45,000	45,000	45,410.08
Court costs.....	286,000	287,000	284,499.63
By District of Columbia for advances for acquisition of lands under sec. 4, act May 29, 1930, as amended.....	150,000	122,000	1,733,524.00
By District of Columbia for share of expenses of U. S. District Courts and Court of Appeals.....	880,000	880,000	972,091.62
Deductions from awards of Mixed Claims Commission, United States and Germany, to cover reimbursement for settlement of War Claims Act of 1928.....			9,271.58
Maintenance of District of Columbia inmates in Federal penal and correctional institutions.....	200,000	200,000	219,401.66
Expenses, miscellaneous.....	157,000	214,000	312,725.79
Expenses for bringing home-interned American citizens.....	50,000	125,000	115,555.18
Excess cost over contract price.....	469,000	669,000	2,880,514.96
Excess premium for increased production of strategic materials.....		50,000	88,987.81
Excessive profits on renegotiated contracts.....	190,000,000	785,000,000	2,040,925,653.37
Excess witness fees.....	300	300	338.68
Government property lost or damaged.....	1,790,000	13,847,000	16,838,831.64
Government property lost or damaged, National Guard.....	1,000	1,000	1,407.35
Hospitalization charges and expenses.....	136,000	131,000	155,765.39
Inspection of perishable food and farm products.....	337,000	335,000	363,182.59
Jury service.....	44,000	52,000	58,601.33
Loss of continuous discharge books, etc., Marine Inspection and Navigation.....	9,000	10,000	11,071.00
Maintenance and irrigation charges, irrigation systems, Indian Service.....	843,000	843,000	838,605.77
Of appropriations made for Indian tribes.....	215,000	215,000	257,028.43
Refund on royalties.....	3,500,000	15,600,000	18,427,006.53
Refund of terminal leave compensation.....	103,000	580,000	239,231.73
Refund on enlistment allowances and clothing bounties.....			3,935.32
Refund, State and local taxes.....	90,000	91,000	92,461.85
Refund on empty containers.....	868,000	1,076,000	2,608,558.88
Reimbursements for expenses, American Mexican Claims Commission.....	100,000	150,000	72,606.86
Reimbursement for emergency conservation work, profits on sales of land or its products.....			1,063,758.62

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
4. Miscellaneous receipts—Continued.			
(10) Reimbursements—Continued.			
General accounts—Continued.			
Reimbursement on account of re-			
imbursable construction costs,			
water conservation and utilization			
projects, act of Oct. 14, 1940, as			
amended.....	\$11, 000	\$10, 000	\$11, 244. 32
Revenues, power system, Flathead			
Reservation, Mont.....	225, 000	225, 000	218, 814. 69
Reimbursements from Federal Re-			
serve Banks:			
Contingent expenses.....	2, 000	1, 000	1, 640. 46
Salaries.....	98, 000	85, 000	73, 969. 53
Repairs of Rock Island Bridge, Rock			
Island, Ill.....	10, 000	21, 000	9, 939. 21
Salaries (unauthorized services).....	900	21, 000	26, 930. 80
Services and expenses, reverse lend-			
lease.....		5, 000, 000	1, 970, 724. 73
Settlement of claims against various			
depositors.....	128, 000	179, 000	162, 797. 58
Surplus postal revenues.....		32, 747, 252	188, 102, 579. 00
Return of butter subsidy payments.....		1, 600, 000	
Transportation.....	2, 001, 000	4, 636, 000	5, 721, 934. 24
Other.....	3, 422, 000	8, 473, 000	28, 636, 405. 07
Special accounts:			
Collections, reclamation fund.....	25, 500, 000	19, 500, 000	12, 687, 966. 50
Reimbursements, defense aid:			
Agricultural, industrial, and			
other commodities.....	204, 000, 000	338, 137, 000	216, 100, 809. 14
Aircraft and aeronautical material.....	10, 000	20, 000	15, 798. 69
Facilities and equipment.....			590. 40
Ordnance and ordnance stores.....			36. 37
Services and expenses.....	125, 000	350, 000	461, 697. 63
Tanks and other vehicles.....			78, 810. 00
Vessels and other watercraft.....			6, 405. 22
Total reimbursements.....	454, 551, 800	1, 250, 487, 952	2, 549, 203, 094. 29
(11) Rents and royalties:			
General accounts:			
Ground rent.....	83, 000	90, 000	80, 887. 72
Pipe-line rentals.....	15, 000	15, 000	15, 000. 00
Receipts from potash deposits, roy-			
alties, and rentals.....	60, 000	60, 000	65, 462. 86
Receipts under mineral leasing acts.....	1, 200, 000	1, 200, 000	996, 117. 16
Receipts for range improvements.....	260, 000	260, 000	250, 206. 20
Receipts from use and occupancy			
of agricultural labor supply cen-			
ters, camps, and facilities.....	300, 000	800, 000	779, 802. 57
Rent of docks, wharves, and piers.....	605, 000	712, 000	774, 880. 35
Rent of equipment.....	40, 092, 000	54, 127, 000	55, 231, 614. 48
Rent of camp and house sites.....	2, 500	2, 500	23, 202. 69
Rent on low-cost housing projects.....			23, 684. 68
Rent of land.....	2, 240, 000	1, 807, 000	1, 833, 569. 14
Rent of public buildings, grounds,			
etc.....	4, 599, 000	4, 078, 000	4, 309, 795. 15
Rent of telegraph and telephone			
facilities.....	99, 000	102, 000	102, 943. 35
Rent of water-power sites.....	117, 000	117, 000	112, 939. 07
Rental of films leased.....		50, 000	80, 357. 97
Rental of airplanes.....	200, 000	300, 000	344, 198. 00
Rentals of tenant farms, Puerto			
Rico Reconstruction Administra-			
tion.....	100, 000	80, 000	95, 539. 01
Rental or operation of property,			
defense housing.....	7, 047, 000	8, 540, 000	4, 558, 337. 40
Rental of surplus personal property.....	3, 690, 000	6, 550, 000	49, 736. 33
Rental of surplus real property.....	99, 178, 000	16, 868, 000	5, 828. 08
Bonuses, rentals and royalties, all			
other.....	2, 000	18, 000	2, 315. 00
Rentals from property, etc., under			
foreclosure proceedings, Farm			
Security Administration.....			224. 95

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(11) Rents and royalties—Continued.			
General accounts—Continued.			
Rental or operation of community facilities, defense public works, Federal Works Agency.....	\$10,000	\$25,000	\$79,321.1
Royalties on coal leases in Alaska.....	16,000	16,000	15,967.22
Royalties on machines financed by the Defense Plant Corporation.....			• 102,586.64
Royalties, naval petroleum reserves, California.....	450,000	450,000	492,280.43
Royalties on oil, gas, etc.....	210,000	210,000	220,206.58
Royalties from oil, gas, sulphur, or other minerals, national wildlife refuges.....	20,000	20,000	25,640.62
Other.....	1,762,000	1,959,000	1,798,195.09
Special accounts:			
Deposits, rents, national defense housing projects (emergency fund for the President).....	30,000	44,000	16,014.59
Deposits, rents, national defense housing projects (United States Housing Authority).....	25,000	30,000	48,806.82
Deposits, operating fund, United States Housing Act of 1937.....			9,900,000.00
Potash deposits, royalties and rentals, act of Oct. 2, 1917.....	55,000	55,000	52,606.46
Receipts from leases of flood control lands.....	340,000	340,000	132,034.74
Receipts under mineral leasing acts.....	10,799,000	10,799,000	8,965,054.41
Receipts from mineral deposits, lands purchased for Indians in Oklahoma.....	8,000	8,000	7,046.55
Receipts from potash deposits, royalties and rentals.....	540,000	540,000	589,165.62
Total rents and royalties.....	174,154,500	110,272,500	91,976,395.76
(12) Sales of Government products:			
General accounts:			
Agricultural products, including livestock and livestock products.....	389,000	493,000	813,233.99
Card indexes, Library of Congress.....	350,000	350,000	333,721.42
Dairy products.....	111,000	107,000	104,977.82
Donated scrap aluminum.....	500	1,000	10,625.11
Electric current, power plant, Coolidge Dam, Ariz.....	350,000	350,000	317,047.53
Electric current, Colorado River irrigation project, Arizona.....	30,000	30,000	27,930.86
Electric current.....	232,000	232,000	240,897.78
Films.....	60,000	65,000	123,964.71
Heat, light, power, and water.....	284,000	384,000	337,231.06
Ice.....	201,000	241,000	212,917.07
Loose cotton samples.....	150,000	150,000	135,070.60
Migratory Bird Conservation <sup>1</sup> Act, receipts credited to the general fund.....	244,000	207,000	183,846.49
Occupational therapy products.....	84,000	85,000	82,910.15
Old condemned and surplus property, Navy Department.....	2,000,000	3,000,000	3,020,528.10
Photo duplications.....	127,000	88,000	45,902.67
Plans and specifications.....	4,000	4,000	3,703.78
Proceeds, activities fund, United States naval prisons.....	30,000	30,000	34,250.00
Products from development of guayule and other rubber-bearing plants.....	350,000	175,000	2,945.90
Public documents, charts, maps, etc.....	3,633,000	4,096,000	4,324,488.56
Public timber.....	56,000	58,000	72,284.25
Sale of crude oil and other petroleum products from Naval Petroleum Reserve No. 1 (Elk Hills).....		8,168,000	4,420,118.02
Sale of hides, Federal Surplus Commodities Corporation.....			349,493.62

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(12) Sales of Government products—Con.			
General accounts—Con.			
Sale and transfer of Government property, Federal property utilization program.....	\$4,547,000	\$5,282,000	\$29,597,587.85
Sale and transmission of electric energy:			
Denison Dam project, Oklahoma-Texas.....	800,000	800,000	224,859.50
Norfolk Dam project, Arkansas.....	600,000	600,000	183,141.38
Scrap and salvaged materials, condemned stores, waste paper, refuse, etc.....	17,561,000	58,611,000	74,210,138.48
Seal and fox skins and furs.....	1,270,000	1,315,000	681,104.72
Seeds.....			833.44
Stores.....	2,514,000	1,553,000	1,111,740.95
Steam.....	502,000	602,000	135,375.17
Subsistence (meals, rations, etc.).....	1,043,000	1,508,000	2,552,372.74
Unserviceable Civilian Conservation Corps property.....	6,500	14,000	27,524.41
Water.....	287,000	287,000	258,746.03
Other.....	41,537,000	52,329,000	61,848,290.78
Special accounts:			
Deposits, sale and transmission of electric energy:			
Bonneville project, Oregon.....	13,475,000	23,300,000	20,464,508.85
Fort Peck project, Montana.....	300,000	280,000	175,276.27
Denison Dam project, Texas.....			21,000.00
Norfolk Dam project, Arkansas and Missouri.....			79,000.00
Deposits, sale of goods and commodities, War Relocation Authority, act July 25, 1942 (56 Stat. 710).....			94,373.78
Proceeds, publication and sale of Victory Magazine, Office of War Information.....		139,000	213,975.97
Receipts from production and sale of helium, etc., Bureau of Mines.....	95,000	125,000	142,534.72
Receipts under Migratory Bird Conservation Act.....	91,000	118,000	100,263.85
Sale of water, sec. 40 (d), Mineral Leasing Act of 1920.....	1,300	1,300	839.56
Sale of historical and educational material, Northwest Territory Celebration Commission.....			* 5,312.93
Total sales of Government products.....	93,315,300	165,178,300	207,316,265.01
(13) Sales of services:			
General accounts:			
Copies of hearings.....	1,600	2,600	2,664.00
Earnings by United States transports.....	700,000	1,035,000	1,030,971.66
Earnings from business operations.....	1,696,000	1,430,000	2,071,083.12
Earnings, miscellaneous facilities of national parks and monuments.....			3,635.20
Fumigating and disinfecting.....	37,000	37,000	* 10,888.16
Laundry and dry-cleaning operations.....	25,040,000	40,040,000	40,883,325.35
Medical, dental, and hospital services.....	15,000	19,800	97,385.41
Livestock breeding service.....	600	1,100	1,433.90
Overhead charges on sales of services or supplies (War and Navy Departments).....	1,900,000	2,100,000	3,568,764.70
Professional and scientific.....	20,700	700	1,235.80
Quarantine charges (fumigation, disinfection, inspection, etc., of vessels).....	100,000	100,000	102,477.09
Quarters, subsistence, and laundry service.....	3,053,000	3,666,000	3,523,527.37

Footnotes on p. 748.



TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
4. Miscellaneous receipts—Continued.			
(13) Sales of services—Continued.			
General accounts—Continued.			
Radio service.....	\$47,000	\$52,000	\$107,800.62
Services of civilian internees and prisoners of war.....	1,000,000	30,000,000	34,286,909.35
Services of conscientious objectors.....			236.33
Storage and other charges.....	91,000	92,000	91,872.45
Telephone and telegraph.....	641,000	838,000	692,735.62
Tolls, Panama Canal.....	12,000,000	11,000,000	7,222,578.38
Transportation service.....	2,500,000	3,501,000	6,408,380.17
Work done for individuals or corporations.....	2,481,000	3,005,000	2,607,287.94
Other.....	508,000	1,050,000	1,000,668.60
Special accounts:			
Alaska Railroad fund receipts.....	5,050,000	6,630,000	10,531,526.32
Collections for laundry service, Naval Academy.....	430,000	434,000	339,864.09
Total sales of services.....	57,311,900	105,034,200	114,565,475.31
(14) Sundry receipts:			
General account:			
Forest reserve fund.....	10,148,000	10,510,000	10,587,338.51
Special accounts:			
Deposits, postal funds, Canal Zone.....	394,000	396,000	550,642.32
Forest reserve fund.....		9,000	214,617.46
Forest reserve fund, roads and trails for States (10 percent).....	1,560,000	1,600,000	1,602,175.18
Forest reserve fund, payments to States (25 percent).....	3,900,000	4,001,000	4,005,437.97
Receipts for acquisition of lands.....	392,000		<sup>a</sup> 458,895.92
Total sundry receipts.....	16,394,000	16,516,000	16,501,315.52
(15) Deposits for defense aid:			
Special account:			
Deposits for defense aid, sec. 6 (b), act Mar. 11, 1941.....	25,000	175,075,000	33,713,131.37
(16) Repayments of investments:			
General accounts:			
Collections, insured loans, Federal Housing Administration.....	500,000	750,000	878,352.30
Construction costs of public works in Colon and Panama.....		28,000	56,376.96
Lapsed appropriations.....	3,006,000	3,429,000	3,047,350.52
Loans to railroads after termination of Federal control, etc.....			26,535.00
Principal on securities received from Reconstruction Finance Corporation under act Feb. 24, 1938.....	5,000	32,000	10,000.00
Principal payments on loans, Puerto Rican Hurricane Relief Commission.....	120,000	122,000	312,139.18
Principal payments on low-cost houses, Virgin Islands.....	200	200	275.25
Principal of bonds of foreign governments under funding agreements: Finland.....	100,000	97,000	99,272.63
Principal on loan to District of Columbia for black-out expenses.....			901,731.15
Proceeds from submarginal land program, Farm Tenant Act (75 percent).....	435,000	420,000	719,813.02
Proceeds, sale of securities, Public Works Administration.....			2,056,382.99
Repayment of advances to Colorado River Dam fund, Boulder Canyon project.....	2,500,000	1,000,000	8,000,000.00
Repayment of loans to veterans for transportation.....			15.05

Footnotes on p. 748.

TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(16) Repayments of investments—Con.			
General accounts—Continued.			
Repayment of principal on account of flood and windstorm loans	\$600,000	\$700,000	\$839,382.58
Repayment of principal on loans for Indian rehabilitation	3,500	3,500	3,420.26
Repayment of principal on emergency crop loans, Farm Credit Administration	100,000	200,000	226,037.19
Repayment of principal, emergency crop production loans, Farm Credit Administration	2,650,000	4,050,000	755,251.31
Repayment of principal on account of loans, Rural Electrification Administration	95,000	68,000	54,352.36
Repayment of principal on account of loans, Puerto Rico Reclamation Administration	50,000	115,000	101,859.97
Repayment of principal on account of loans, Farm Security Administration			* 5,495.52
Repayment of principal on account of loans to States, municipalities, etc., defense public works	565,000	490,000	654,260.54
Repayment of principal on emergency crop loans incident to removal of enemy aliens	20,000	40,000	132,099.90
Return of advances, Eastern Massachusetts Street Railway	1,200	1,200	1,525.01
Return of relief moneys furnished American citizens in territories and island possessions			25.00
Repayment of principal on account of loans to States, municipalities, etc., Public Works Administration, FWA	500,000	400,000	
Sale of chattels, Farm Security Administration		2,000	4,257.67
Repayments and recoveries, emergency relief, act Dec. 17, 1941, and July 12, 1943	20,000	24,000	61,196.17
Repayments on account of rural rehabilitation loans	16,400,000	25,300,000	37,665,436.84
Repayments of subscriptions to capital stock, Smaller War Plants Corporation	50,000,000	100,000,000	
Repayment of subscriptions to preferred and income shares, Federal savings and loan associations	450,000	473,000	2,072,300.00
Repayment of principal on orchard rehabilitation loans			770.00
Repayment of loans to students, Federal Security Agency	500,000	380,000	273,496.77
Repayment and recoveries, Public Works			13,271.05
Representation of interests of foreign governments growing out of hostilities in Europe		3,000	1,832.68
Special accounts:			
Crop production loan funds, act Jan. 22, 1932	1,000,000	2,000,000	2,152,814.07
Receipts from submarginal land program, Farm Tenant Act	145,000	140,000	* 167,819.74
Total repayments of investments	79,765,900	140,267,900	60,768,518.16
(17) Sales of public lands:			
Special account:			
Sale of public land, reclamation fund (80 percent)	100,000	100,000	184,399.43

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>4. Miscellaneous receipts—Continued.</b>			
(18) Sales of Government property:			
General accounts:			
Capital equipment (trucks, horses, cars, machinery, furniture and fixtures, and other capital equipment).....	\$10,669,000	\$43,621,000	\$15,101,442.35
Disposition of proceeds (Homes Conversion program).....	500,000	500,000	-----
Land and buildings.....	34,180,000	14,130,000	4,233,001.51
Lands, etc., on account of military post construction fund.....	-----	500	4,822.99
Office material, etc.....	-----	-----	484.10
Ordinance material, War.....	12,500,000	15,000,000	9,544,116.01
Proceeds of Fort Hall irrigation and water system, Idaho.....	1,500	1,500	1,227.44
Proceeds of sales of vessels for the Coast Guard.....	-----	-----	846.50
Sale of town lots, Alaska.....	500	500	296.00
Standing timber, Alaska.....	10,000	10,000	9,364.96
Surplus personal property.....	1,500,000,000	575,000,000	107,537,498.70
Surplus real property.....	450,000,000	75,000,000	613,998.63
Surplus war supplies.....	-----	-----	700,000.00
Special accounts:			
Coos Bay Wagon Road grant fund.....	30,000	30,000	30,500.69
Oregon and California land grant fund.....	1,600,000	1,600,000	1,732,773.40
Proceeds, operation of commissaries, Division of Mental Hygiene, Public Health Service.....	80,000	75,000	55,530.00
Proceeds of town sites, lots, Reclamation Service.....	8,000	8,000	7,926.68
Sale of reserve lands, reclamation projects.....	-----	-----	262.50
Total sales of Government property.....	2,009,579,000	724,976,500	139,574,092.46
Total miscellaneous receipts.....	3,238,622,700	3,171,167,952	3,596,646,896.08
Adjustment to daily Treasury statement basis.....	-----	-----	-127,098,888.96
Total miscellaneous receipts.....	3,238,622,700	3,171,167,952	3,469,548,007.12
Total receipts.....	32,938,512,700	39,706,557,952	47,739,524,339.56
Deduct: Net appropriation to Federal old-age and survivors insurance trust fund.....	1,425,810,000	1,097,730,000	1,282,969,759.85
Net receipts, general and special accounts.....	31,512,702,700	38,608,827,952	46,456,554,579.71
<b>EXPENDITURES</b>			
<b>National defense:</b>			
War Department:			
Military functions <sup>2</sup> .....	7,994,912,000	27,995,019,118	49,688,659,386.32
Civil functions (classified as national defense).....	3,188,000	2,401,882	1,941,542.81
Panama Canal.....	1,900,000	2,579,000	1,506,096.86
Total.....	8,000,000,000	28,000,000,000	49,692,107,025.99
Adjustment to daily Treasury statement basis.....	-----	-----	+647,265,543.37
Total War Department.....	8,000,000,000	28,000,000,000	50,339,372,569.36
Navy Department <sup>2</sup> .....	5,000,000,000	14,700,000,000	30,127,635,917.52
Adjustment to daily Treasury statement basis.....	-----	-----	-80,483,782.37
Total Navy Department.....	5,000,000,000	14,700,000,000	30,047,152,135.15

Footnotes on p. 748.

TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>National defense—Continued.</b>			
Executive Office of the President:			
Executive Office proper.....		\$124,500	\$110,558.91
Bureau of the Budget.....		458,500	697,700.03
National Resources Planning Board.....			61.38
President's Committee for Education of Men Demobilized from the Armed Forces.....			260.48
Committee for Congested Production Areas.....		2,350	246,366.14
War agencies <sup>8</sup> .....	\$1,059,514,000	1,776,798,850	2,669,466,928.69
Miscellaneous.....			
Total.....	1,059,514,000	1,777,384,200	2,670,521,875.63
Adjustment to daily Treasury statement basis.....			+10,934,078.62
Total Executive Office of the President.....	1,059,514,000	1,777,384,200	2,681,455,954.25
Emergency funds appropriated to the President.....	( <sup>9</sup> )	( <sup>9</sup> )	( <sup>9</sup> )
<b>Independent offices:</b>			
American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas.....	4,000	43,000	34,488.69
Civil Service Commission.....	400,000	4,380,000	10,892,403.79
Federal Communications Commission.....	192,000	1,880,000	4,079,258.35
Federal Power Commission.....		127,500	543,394.88
General Accounting Office.....			12,966.75
Interstate Commerce Commission.....	11,000	236,000	272,051.93
National Advisory Committee for Aeronautics.....		111,000	
National Archives.....		35,000	b 5,881.33
National Capital Housing Authority.....	b 250,000	b 347,000	105,585.32
National Labor Relations Board.....	55,000	734,000	769,360.29
Office of War Mobilization and Reconstruction <sup>8</sup> .....	246,904,000	124,510,000	861,459.45
Railroad Retirement Board.....			1,467.85
Selective Service System <sup>8</sup> .....		49,040,000	60,891,486.42
Smithsonian Institution.....			11,835.41
Tennessee Valley Authority.....			b 184,269.66
United States Employees' Compensation Commission.....			237,351.53
United States Maritime Commission.....	300,000,000	1,055,000,000	3,526,903,216.72
Veterans' Administration.....			87.23
Total.....	547,316,000	1,235,749,500	3,605,426,263.62
Adjustment to daily Treasury statement basis.....			-302,471,036.03
Total independent offices.....	547,316,000	1,235,749,500	3,302,955,227.59
Federal Loan Agency.....			b 468,865.01
Adjustment to daily Treasury statement basis.....			+119,114.40
Total Federal Loan Agency.....			b 349,750.61
Federal Security Agency:			
Office of Education.....		756,000	47,687,917.51
Public Health Service.....	1,567,000	62,104,000	74,526,205.42
Office of the Administrator:			
National Youth Administration.....			111,647.52
Other.....	375,000	2,719,000	3,033,654.46
Total.....	1,942,000	65,579,000	125,359,424.91
Adjustment to daily Treasury statement basis.....			-2,591,224.08
Total Federal Security Agency.....	1,942,000	65,579,000	122,768,200.83

Footnotes on p. 748.



TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>National defense—Continued.</b>			
Federal Works Agency:			
Office of the Administrator.....			\$5,313.36
Public Buildings Administration.....	\$2,741,000	\$1,770,000	842,837.26
Public Roads Administration.....	30,400,000	61,144,500	56,521,759.83
Bureau of Community Facilities.....	19,800,000	69,700,000	119,252,342.83
Total.....	52,941,000	132,614,500	176,622,253.28
Adjustment to daily Treasury statement basis.....			+8,547,055.84
Total Federal Works Agency.....	52,941,000	132,614,500	185,169,339.12
National Housing Agency.....	16,185,000	59,720,000	104,933,477.43
Adjustment to daily Treasury statement basis.....			-35,060,293.32
Total National Housing Agency.....	16,185,000	59,720,000	69,873,179.11
Department of Agriculture:			
Bureau of Agricultural Economics.....			1,258.82
Office of Foreign Agricultural Relations.....			8,820.06
Agricultural Research Administration:			
Bureau of Entomology and Plant Quarantine.....			991.87
Forest Service.....			2,782.38
Emergency rubber project.....	965,000	4,276,000	4,755,038.10
Production and Marketing Administration.....	8,133,000	29,551,500	43,917,024.49
Defense aid (lend-lease).....	200,000,000	850,000,000	1,173,048,833.70
United Nations Relief and Rehabilitation Administration.....	600,000,000	450,000,000	10,970,327.72
Farm Security Administration.....		300	22,524.33
Miscellaneous.....	836,000	4,870,200	684,212.23
Total.....	809,934,000	1,338,698,000	1,233,412,813.70
Adjustment to daily Treasury statement basis.....			-24,863,944.42
Total Department of Agriculture.....	809,934,000	1,338,698,000	1,208,548,869.28
Department of Commerce:			
Office of the Secretary.....	18,000	564,000	1,161,550.70
Bureau of the Census.....			183,165.26
Office of Surplus Property.....			2,465,038.15
Office of Administrator of Civil Aeronautics.....	8,002,000	24,330,000	43,614,672.78
Bureau of Foreign and Domestic Commerce.....			30,657.74
National Bureau of Standards.....	4,994,000	5,484,500	1,184,651.45
Miscellaneous.....			
Total.....	13,014,000	30,378,500	48,639,736.03
Adjustment to daily Treasury statement basis.....			+38,242,095.85
Total Department of Commerce.....	13,014,000	30,378,500	86,881,831.63
Department of the Interior:			
Office of the Secretary.....		206,000	595,251.53
Solid Fuels Administration for War <sup>2</sup> .....	200,000	3,396,000	3,551,051.53
War Relocation Authority <sup>3</sup> .....	1,900,000	25,000,000	37,241,184.04
Bureau of Indian Affairs.....	2,000	97,000	132,721.30
Bureau of Reclamation.....		373,000	125,282.19
Geological Survey.....	1,185,000	2,542,000	2,511,957.19
Bureau of Mines.....	1,120,000	6,820,000	11,959,459.40
National Park Service.....			1,904.25
Fish and Wildlife Service.....			4,591.68
Government in the Territories.....	1,000,000	32,297,000	12,900,372.44
Total.....	5,407,000	70,731,000	69,023,775.85
Adjustment to daily Treasury statement basis.....			+35,275,362.89
Total Department of the Interior.....	5,407,000	70,731,000	104,299,138.74

Footnotes on p. 748.

TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>National defense—Continued.</b>			
Department of Justice:			
Legal activities and general administration		\$290,000	\$369,164.65
Federal Bureau of Investigation		35,000,000	35,262,684.71
Immigration and Naturalization Service			<sup>b</sup> 21.55
Miscellaneous			
Total		35,290,000	35,631,827.81
Adjustment to daily Treasury statement basis			+414,046.53
Total Department of Justice		35,290,000	36,045,874.34
Department of Labor:			
Office of the Secretary		2,174,300	1,981,666.28
Bureau of Labor Statistics	\$60,000	3,360,000	2,241,280.80
Children's Bureau	17,595,000	36,112,000	45,039,653.54
Women's Bureau		4,000	48,961.47
Miscellaneous			
Total	17,655,000	41,650,300	49,311,562.09
Adjustment to daily Treasury statement basis			-2,289,505.34
Total Department of Labor	17,655,000	41,650,300	47,022,056.75
Department of State:			
Office of the Secretary		1,045,000	18,283,057.26
Foreign Service	5,000,000	9,000,000	5,498,533.89
International obligations	15,000	60,070,000	13,151.91
Miscellaneous			
Total	5,015,000	70,115,000	23,794,743.06
Adjustment to daily Treasury statement basis			+23,532.14
Total Department of State	5,015,000	70,115,000	23,818,275.20
Treasury Department:			
Office of the Secretary	77,000	172,950,000	283,787,274.01
Fiscal Service:			
Bureau of Accounts		10,000	144,608.26
Bureau of the Public Debt			<sup>b</sup> 101.60
Bureau of Internal Revenue			<sup>b</sup> 20.00
Procurement Division	473,500,000	1,070,130,000	1,429,205,225.88
Total	473,577,000	1,243,090,000	1,713,136,986.55
Adjustment to daily Treasury statement basis			+60,995,625.55
Total Treasury Department	473,577,000	1,243,090,000	1,774,132,612.10
Anticipated supplemental appropriations		( <sup>9</sup> )	
Total national defense	16,000,000,000	48,800,000,000	90,029,145,512.84
Interest on the public debt	5,000,000,000	4,750,000,000	<sup>10</sup> 3,616,686,048.31
<b>Refunds:</b>			
Treasury Department:			
Office of the Secretary		115,000,000	893,681,425.91
Bureau of Customs	15,000,000	15,000,000	14,302,436.86
Bureau of Internal Revenue	1,570,007,000	2,585,618,000	908,403,100.40
Total	1,585,007,000	2,715,618,000	1,816,386,963.17
Adjustment to daily Treasury statement basis			-101,506,675.28
Total refunds	1,585,007,000	2,715,618,000	1,714,880,287.89

Footnotes on p. 743.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Veterans' pensions and benefits:</b>			
Veterans Administration.....	\$4, 207, 779, 400	\$3, 346, 815, 000	\$2, 077, 786, 925.95
Adjustment to daily Treasury statement basis.....			—33, 914, 191.82
Total veterans' pensions and benefits.....	4, 207, 779, 400	3, 346, 815, 000	2, 043, 872, 734.13
<b>International finance:</b>			
Treasury Department:			
Office of the Secretary.....	254, 000, 000	2, 012, 500, 000	-----
<b>Aids to agriculture:</b>			
Independent offices:			
General Accounting Office.....	351, 000	407, 000	325, 163.59
Department of Agriculture:			
Extension Service.....			260.00
Land utilization and retirement of sub-marginal land.....	1, 565, 000	1, 358, 138	1, 328, 862.57
Water conservation and utilization projects.....	1, 050, 000	950, 000	541, 186.79
Production and Marketing Administration:			
Conservation and use of agricultural land resources.....	252, 450, 000	305, 250, 000	254, 561, 610.86
Parity payments.....		1, 800	229, 700.17
Administration of the Sugar Act of 1937.....	53, 150, 000	47, 150, 000	42, 738, 076.50
Federal Crop Insurance Act <sup>11</sup> .....	5, 000, 000	4, 900, 000	577, 291.12
Exportation and domestic consumption of agricultural commodities.....	198, 000, 000	110, 000, 000	70, 097, 818.48
Other.....	35, 008, 400	36, 977, 900	38, 518, 953.97
Farm Security Administration.....	27, 750, 000	26, 676, 600	26, 922, 971.37
Farm Credit Administration.....	<sup>b</sup> 20, 873, 300	<sup>b</sup> 41, 754, 000	26, 795, 669.84
Total Department of Agriculture.....	553, 100, 100	491, 510, 438	462, 312, 401.67
Department of the Interior:			
Fish and Wildlife Service.....	45, 000	30, 000	29, 228.55
Treasury Department:			
Office of the Secretary:			
Federal land banks:			
Reductions in interest rate on mortgages.....		5, 500	4, 240, 676.53
Subscriptions to paid-in surplus, revolving fund.....		<sup>b</sup> 32, 850, 000	<sup>b</sup> 65, 323, 018.51
Subscriptions to capital stock, revolving fund.....	<sup>b</sup> 72, 000, 000	<sup>b</sup> 2, 868, 000	<sup>b</sup> 2, 264, 590.00
Federal Farm Mortgage Corporation:			
Reductions in interest rate on mortgages.....		4, 000	1, 372, 001.09
Federal Crop Insurance Corporation:			
Subscriptions to capital stock.....	20, 000, 000	10, 000, 000	-----
Commodity Credit Corporation:			
Restoration of capital impairment.....			256, 764, 881.04
Total Treasury Department.....	<sup>b</sup> 52, 000, 000	<sup>b</sup> 25, 708, 500	194, 789, 950.15
Total.....	501, 496, 100	466, 238, 938	657, 456, 743.96
Adjustment to daily Treasury statement basis.....			—55, 105, 095.21
Total aids to agriculture.....	501, 496, 100	466, 238, 938	602, 351, 648.75
<b>Social security, relief, and retirement:</b>			
Social security program:			
Administrative expenses:			
Federal Security Agency, Social Security Board.....	31, 059, 200	26, 320, 000	24, 948, 630.87
Department of Commerce, Bureau of Census.....	155, 000	95, 000	108, 218.54
Department of Labor, Children's Bureau.....	515, 000	380, 000	397, 308.31
Total administrative expenses.....	31, 729, 200	26, 795, 000	25, 454, 157.72

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Social security, relief, and retirement—Con.</b>			
Social security program—Continued.			
Grants to States:			
Federal Security Agency:			
Public Health Service.....	\$18,800,000	\$11,000,000	\$10,788,825.00
Social Security Board.....	532,000,000	488,000,000	435,818,988.90
Total Federal Security Agency.....	550,800,000	499,000,000	446,607,813.92
Department of Labor: Children's Bureau.....	11,110,000	12,685,000	10,687,957.32
Total grants to States.....	561,910,000	511,685,000	457,295,771.24
Total.....	593,639,200	538,480,000	482,749,928.96
Adjustment to daily Treasury statement basis.....			-6,384,817.47
Total social security program.....	593,639,200	538,480,000	476,365,111.49
Work relief:			
Independent offices: United States Employees' Compensation Commission.....			1,294,463.54
Federal Security Agency: Public Health Service.....			38,552.00
Federal Works Agency:			
Office of the Administrator:			
Public Works Administration.....	7,100,000	12,283,000	4,723,559.73
Works Projects Administration.....		36,000	<sup>b</sup> 1,321,064.55
Other.....		11,500	22,588.66
Total Federal Works Agency.....	7,100,000	12,330,500	3,425,083.84
Department of the Interior: Government in the Territories.....			<sup>b</sup> 1,360.48
Treasury Department:			
Fiscal Service:			
Bureau of Accounts.....			88.27
Office of the Treasurer of the United States.....			<sup>b</sup> 17,724.13
Secret Service Division.....			<sup>b</sup> 2,825.72
Procurement Division.....			<sup>b</sup> 95,942.05
Total Treasury Department.....			<sup>b</sup> 116,403.63
Total work relief.....	7,100,000	12,330,500	4,640,335.27
Retirement funds:			
Government employees' retirement funds:			
Civil Service Commission:			
Civil service retirement and disability appropriated fund.....	220,100,000	245,000,000	194,500,000.00
Canal Zone retirement and disability appropriated fund.....	1,177,000	1,177,000	1,177,000.00
Alaska Railroad retirement and disability appropriated fund.....	217,000	217,000	175,000.00
Department of State: Foreign service retirement and disability appropriated fund.....	922,800	922,800	910,500.00
Total Government employees' retirement funds.....	222,416,800	247,316,800	196,762,500.00
Railroad retirement appropriated account.....	230,895,200	359,250,800	308,817,000.00
Total retirement funds.....	453,312,000	606,567,600	505,579,500.00
Total social security, relief, and retirement.....	1,054,051,200	1,157,378,100	986,584,946.76

Footnotes on p. 743.



TABLE 105.—*Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General public works program:</b>			
Highways and airports:			
Federal Works Agency:			
Public Buildings Administration.....		\$1,000	
Public Roads Administration.....	\$255,000,000	127,551,000	\$33,037,838.94
Total Federal Works Agency.....	255,000,000	127,552,000	33,037,838.94
Department of Agriculture: Forest roads and trails.....	32,500,000	8,500,000	6,214,430.33
Department of Commerce: Office of Administrator of Civil Aeronautics.....	6,406,000	7,150,000	289,898.33
Department of the Interior:			
Bureau of Indian Affairs.....	4,500,000	994,000	1,051,030.94
National Park Service.....	17,200,000	800,000	270,219.49
Total Department of the Interior.....	21,700,000	1,794,000	1,321,250.43
War Department: Corps of Engineers.....	1,000,000	490,000	835,000.00
Total highways and airports.....	316,606,000	145,436,000	41,698,418.03
Rivers and harbors:			
Department of the Interior: Geological Survey.....	120,000	120,000	140,415.53
War Department (civil functions): Corps of Engineers.....	110,000,000	79,500,000	55,648,958.94
Total rivers and harbors.....	110,120,000	79,620,000	55,789,374.47
Flood control and reclamation (including power):			
Independent offices: Tennessee Valley Authority <sup>12</sup> .....	27,000,000	24,000,000	25,806,808.14
Department of Agriculture: Miscellaneous.....	2,500,000	863,700	122,759.49
Department of the Interior:			
Bonneville Power Administration.....	19,000,000	15,740,000	8,783,262.27
Southwestern Power Administration.....	16,000,000		
Bureau of Indian Affairs.....	930,000	550,000	391,715.01
Bureau of Reclamation.....	175,548,500	124,274,100	46,853,066.30
Geological Survey.....	485,000	592,000	645,708.36
Total Department of the Interior.....	211,963,500	141,156,100	56,673,751.94
Department of State: International obligations.....	6,613,000	860,000	474,095.94
War Department (civil functions): Corps of Engineers.....	160,505,000	141,509,000	79,350,661.10
Total.....	408,581,500	308,388,800	162,428,076.61
Adjustment to daily Treasury statement basis.....			-909,747.92
Total flood control and reclamation (including power).....	408,581,500	308,388,800	161,518,328.69
Veterans:			
Veterans' Administration.....	130,000,000	55,000,000	15,799,142.62
Housing:			
National Housing Agency.....	90,000,000	100,000,000	
Other general public works:			
Executive Office of the President: Executive Mansion and grounds.....	1,550,000	100,000	
Independent offices: National Advisory Committee for Aeronautics.....	7,000,000	13,500,000	13,638,876.63
Federal Security Agency:			
Columbia Institution for the Deaf.....	6,500		
Howard University.....	2,160,000	160,000	
Saint Elizabeths Hospital.....	900,000	1,111,000	2,692.91
Total Federal Security Agency.....	3,066,500	1,271,000	2,692.91
Federal Works Agency:			
Public Buildings Administration.....	8,770,000	5,702,500	1,672,126.68
Bureau of Community Facilities.....	1,800,000	30,150,000	
Total Federal Works Agency.....	10,570,000	35,852,500	1,672,126.68

Footnotes on p. 748.

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General public works program—Continued.</b>			
Other general public works—Continued.			
Department of Commerce: National Bureau of Standards.....		\$48,700	\$33,107.47
Department of the Interior:			
Bureau of Indian Affairs.....	\$1,500,000	400,000	59,755.02
National Park Service.....	2,200,000	150,000	19,496.20
Total Department of the Interior.....	3,700,000	550,000	79,251.22
Department of Justice: Federal Prison System.....	800,000	361,700	123,811.23
Department of State: Foreign Service.....	900,000	850,000	223,968.56
War Department (civil functions): Corps of Engineers.....	12,000	12,000	5,473.75
Total other general public works.....	27,598,500	52,645,900	15,779,308.45
Total general public works program.....	1,082,906,000	741,040,700	290,584,572.26
<b>General government:</b>			
Legislative branch:			
Senate.....	4,836,700	5,285,200	4,671,811.65
House of Representatives.....	13,835,300	14,651,800	11,659,981.07
Miscellaneous.....	4,000	4,000	4,526.02
Architect of the Capitol.....	4,682,300	3,881,000	2,397,239.82
Botanic Garden.....	140,000	134,700	113,106.00
Library of Congress.....	5,205,300	4,333,300	4,368,715.42
Government Printing Office.....	7,900,000	7,583,000	7,679,177.03
Total.....	36,603,600	35,873,000	30,894,557.01
Adjustment to daily Treasury statement basis.....			-2,001,283.80
Total legislative branch.....	36,603,600	35,873,000	28,893,273.21
The Judiciary:			
United States Supreme Court.....	770,900	772,500	636,167.96
Other Federal courts.....	15,459,500	13,438,100	11,977,208.44
Administrative Office of the United States Courts.....	326,000	275,000	278,626.77
Total.....	16,556,400	14,485,600	12,892,003.17
Adjustment to daily Treasury statement basis.....			+114,333.53
Total The Judiciary.....	16,556,400	14,485,600	13,006,336.70
Executive Office of the President:			
Executive Office proper.....	1,148,100	619,400	517,061.40
Bureau of the Budget.....	3,975,000	2,567,600	1,934,937.52
National Resources Planning Board.....			50.62
Miscellaneous.....			
Total.....	5,123,100	3,187,000	2,452,049.54
Adjustment to daily Treasury statement basis.....			-2,420.48
Total Executive Office of the President.....	5,123,100	3,187,000	2,449,629.06
Civil departments and agencies:			
Independent offices:			
American Battle Monuments Commission.....	270,000	40,000	36,895.75
Bituminous Coal Consumers' Counsel.....			107.95
Board of Investigation and Research—Transportation.....		2,000	20,416.74
Civil Service Commission.....	13,814,000	11,212,100	11,086,539.92
Federal Communications Commission.....	5,730,000	2,618,500	2,062,406.25
Federal Deposit Insurance Corporation.....			<sup>b</sup> 40.28
Federal Power Commission.....	3,589,900	2,205,200	2,101,492.20
Federal Trade Commission.....	2,544,000	1,863,500	1,909,907.94
Filipino Rehabilitation Commission.....	35,000	2,500	
Foreign-service pay adjustment.....	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )
General Accounting Office.....	40,200,000	41,305,000	32,086,904.28
Interstate Commerce Commission.....	9,723,000	7,916,000	7,952,908.22
Interstate Commission on the Potomac River Basin.....	7,500		

Footnotes on p. 748.<sup>f</sup>

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General government—Continued.</b>			
Civil departments and agencies—Continued.			
Independent offices—Continued.			
National Advisory Committee for Aeronautics.....	\$24,096,000	\$29,215,000	\$19,552,638.
National Archives.....	1,224,500	921,200	1,056,932.61
National Capital Housing Authority.....	16,400	16,700	24,252.56
National Capital Park and Planning Commission.....	1,500,000	658,000	243,403.25
National Labor Relations Board.....	4,633,000	2,537,000	2,701,116.78
National Mediation Board.....	743,100	640,300	590,376.67
Railroad Retirement Board.....	11,547,330	15,516,560	14,752,559.27
Securities and Exchange Commission.....	5,000,000	4,559,600	4,240,836.17
Smithsonian Institution.....	2,674,000	2,272,500	2,085,734.53
Tariff Commission.....	1,170,600	871,100	972,175.38
The Tax Court of the United States.....	593,000	534,000	525,121.95
Thomas Jefferson Bicentennial Commission.....			714.30
Thomas Jefferson Memorial Commission.....	5,000	10,000	2,529.93
United States Employees' Compensation Commission.....	13,189,000	19,813,000	13,771,480.69
Unclassified items.....			<sup>b</sup> 7,300.31
Total.....	142,305,330	144,729,760	117,770,111.33
Adjustment to daily Treasury statement basis.....			+24,454,393.54
Total independent offices.....	142,305,330	144,729,760	142,224,504.87
Federal Security Agency:			
American Printing House for the Blind.....	115,000	115,000	115,000.00
Columbia Institution for the Deaf.....	221,000	167,000	183,947.45
Food and Drug Administration.....	4,269,000	3,129,000	2,964,973.96
Freedmen's Hospital.....	875,000	956,000	719,275.08
Howard University.....	1,227,000	1,280,000	863,678.74
Office of Education.....	27,820,000	29,018,000	24,218,954.65
Public Health Service.....	81,593,000	51,715,000	40,590,644.79
Saint Elizabeths Hospital.....	2,500,000	2,800,983	2,430,254.78
Office of Vocational Rehabilitation.....	11,719,000	8,495,000	7,542,881.78
Office of the Administrator.....	1,794,670	1,613,700	1,376,024.55
Miscellaneous.....			15,390.33
Total.....	132,133,670	99,319,683	81,021,026.11
Adjustment to daily Treasury statement basis.....			+2,410,078.72
Total Federal Security Agency.....	132,133,670	99,319,683	83,431,104.83
Federal Works Agency:			
Office of the Administrator.....	384,500	352,500	339,104.71
Public Buildings Administration.....	59,370,000	52,622,900	51,875,739.59
Public Roads Administration.....	6,000,000	16,641,900	13,139,136.39
Miscellaneous.....			154,780.70
Total.....	65,754,500	69,617,300	65,511,761.39
Adjustment to daily Treasury statement basis.....			-3,252,859.92
Total Federal Works Agency.....	65,754,500	69,617,300	62,258,901.47
National Housing Agency <sup>12</sup> :			
Adjustment to daily Treasury statement basis.....	16,135,000	10,090,000	13,316,232.68
Total National Housing Agency.....	16,135,000	10,090,000	11,912,319.15
Department of Agriculture:			
Office of the Secretary.....	5,145,000	5,453,000	3,114,135.53
Office of the Solicitor.....	2,300,000	2,050,000	1,949,128.47
Office of Information.....	1,915,000	2,165,500	2,088,704.53
Library.....	535,000	470,000	521,250.67
Bureau of Agricultural Economics.....	4,550,000	3,850,000	4,175,352.69
Office of Foreign Agricultural Relations.....	625,000	510,000	445,882.02
Extension Service.....	27,933,660	23,908,660	19,434,671.23

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General Government—Continued.</b>			
Civil departments and agencies—Continued.			
Department of Agriculture—Continued.			
Agricultural Research Administration:			
Office of Administrator.....	\$450,000	\$275,000	\$116,535.13
Special research fund.....	1,160,000	1,075,000	1,151,815.20
Office of Experiment Stations.....	7,852,000	7,450,000	7,233,652.51
Bureau of Animal Industry.....	9,987,400	9,438,000	8,460,417.62
Bureau of Dairy Industry.....	960,000	755,000	777,351.04
Bureau of Plant Industry, Soils, and Agricultural Engineering.....	6,800,000	4,813,200	5,320,594.87
Bureau of Entomology and Plant Quarantine.....	6,300,000	5,500,000	5,526,103.90
Control of emergency outbreaks of insect pests and plant diseases.....	1,400,000	2,600,000	2,866,703.50
Bureau of Agricultural and Industrial Chemistry.....	5,144,000	4,855,000	4,292,987.10
Bureau of Human Nutrition and Home Economics.....	900,000	870,000	643,052.05
Beltsville Research Center.....	-----	11,000	120,989.08
Miscellaneous.....	65,000	340,000	<sup>b</sup> 111,341.70
Total Agricultural Research Administration.....	41,018,400	37,982,200	36,398,860.30
White pine blister rust control.....	5,800,000	2,550,000	2,095,380.04
Forest Service.....	41,238,800	34,469,000	35,831,802.55
Soil Conservation Service.....	37,506,777	30,298,425	27,594,418.62
Production and Marketing Administration.....	18,000,000	16,275,950	15,003,872.75
Rural Electrification Administration.....	8,540,000	14,000,000	11,175,111.46
Miscellaneous.....	1,082,000	1,254,000	545,068.30
Total.....	196,189,637	175,236,735	160,371,642.16
Adjustment to daily Treasury statement basis.....	-----	-----	-117,649.53
Total Department of Agriculture.....	196,189,637	175,236,735	160,253,992.63
Department of Commerce:			
Office of the Secretary.....	6,534,300	2,617,000	2,227,942.61
Bureau of the Census.....	29,025,000	11,797,000	12,013,372.93
Office of Administrator of Civil Aeronautics.....	75,420,000	57,450,000	59,720,571.03
Civil Aeronautics Board.....	2,342,000	1,770,000	1,386,307.58
Coast and Geodetic Survey.....	8,314,000	6,818,000	6,537,440.11
Bureau of Foreign and Domestic Commerce.....	13,056,000	5,363,000	1,788,949.22
Patent Office.....	6,020,000	5,148,000	4,920,026.07
National Bureau of Standards.....	6,357,000	4,609,900	4,404,572.83
Weather Bureau.....	17,638,000	15,290,000	12,633,709.74
Miscellaneous.....	-----	-----	9,262.61
Total.....	164,706,300	110,862,900	105,642,154.73
Adjustment to daily Treasury statement basis.....	-----	-----	-23,186,208.58
Total Department of Commerce.....	164,706,300	110,862,900	82,455,946.15
Department of the Interior:			
Office of the Secretary.....	5,331,200	4,131,500	3,866,007.72
Commission of Fine Arts.....	11,000	6,000	7,701.44
United States High Commissioner to Philippine Islands.....	-----	387,000	28,115.58
Office of Fishery Coordination.....	-----	180,000	253,932.74
Southwestern Power Administration.....	323,000	480,000	274,220.40
Grazing Service.....	2,345,500	1,879,000	1,580,365.00
General Land Office.....	9,173,000	7,442,900	7,268,468.42
Bureau of Indian Affairs.....	32,884,300	26,471,350	28,044,289.70
Bureau of Reclamation.....	4,597,000	3,425,700	3,397,727.29
Geological Survey.....	11,919,100	6,914,100	5,590,104.03
Bureau of Mines.....	20,520,000	16,517,000	6,924,558.60
National Park Service.....	7,638,000	5,253,600	4,428,310.71
Fish and Wildlife Service.....	11,895,300	7,256,500	7,625,033.80
Government in the Territories.....	11,499,000	13,419,700	10,623,716.67
Miscellaneous.....	-----	-----	74,282.18
Total.....	118,136,400	93,764,350	79,986,834.28
Adjustment to daily Treasury statement basis.....	-----	-----	-548,659.32
Total Department of the Interior.....	118,136,400	93,764,350	79,438,174.96



TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General government—Continued.</b>			
Civil departments and agencies—Continued.			
Department of Justice:			
Legal activities and general administration.....	\$21,308,000	\$19,763,000	\$20,909,193.16
Federal Bureau of Investigation.....	26,100,000	8,000,000	9,517,515.82
Immigration and Naturalization Service.....	25,000,000	22,500,000	27,141,767.48
Federal Prison System.....	20,550,000	16,490,000	14,973,397.33
Miscellaneous.....			2,415.69
Total.....	92,958,000	66,753,000	72,544,289.48
Adjustment to daily Treasury statement basis.....			-4,449,943.90
Total Department of Justice.....	92,958,000	66,753,000	68,094,345.58
Department of Labor:			
Office of the Secretary.....	88,894,000	40,013,000	3,522,984.83
Bureau of Labor Statistics.....	4,320,000	1,423,800	1,349,848.28
Children's Bureau.....	741,000	555,000	588,639.92
Women's Bureau.....	225,000	173,000	192,212.07
Wage and Hour Division.....	4,905,000	4,960,000	4,102,660.46
Miscellaneous.....			1,533.65
Total.....	99,085,000	47,124,800	9,757,879.21
Adjustment to daily Treasury statement basis.....			+222,488.30
Total Department of Labor.....	99,085,000	47,124,800	9,980,367.51
Department of State:			
Office of Secretary.....	13,750,000	12,652,000	11,358,303.57
Foreign Service.....	49,000,000	46,100,000	35,678,960.02
International obligations.....	64,762,500	43,476,500	4,126,254.28
Miscellaneous.....			<sup>b</sup> 34,240.80
Total.....	127,512,500	102,228,500	51,129,277.07
Adjustment to daily Treasury statement basis.....			+461,760.45
Total Department of State.....	127,512,500	102,228,500	51,591,037.52
Treasury Department:			
Office of the Secretary.....	7,437,043	8,144,669	6,250,770.09
Foreign Funds Control.....	1,414,000	2,071,000	2,737,991.52
Division of Tax Research.....	176,000	155,000	164,670.31
Office of Tax Legislative Counsel.....	90,500	82,000	84,200.25
Division of Research and Statistics.....	178,000	158,000	175,589.63
Office of General Counsel.....	179,000	160,000	131,228.52
Division of Personnel.....	206,000	165,000	185,795.17
Office of Chief Clerk.....	628,000	628,000	593,984.18
Custody of Treasury buildings.....	555,000	455,000	546,138.43
Division of Printing.....			<sup>b</sup> 164.69
Fiscal Service:			
Bureau of Accounts.....	12,045,000	11,120,000	8,027,539.03
Bureau of Public Debt.....	67,800,000	81,891,000	73,303,821.16
Office of Treasurer of the United States.....	5,172,400	5,327,300	4,260,527.20
Bureau of Customs.....	29,757,000	25,806,000	25,164,700.74
Office of Comptroller of the Currency.....	277,000	247,500	282,380.72
Bureau of Internal Revenue.....	176,700,000	145,172,000	138,393,964.62
Bureau of Narcotics.....	1,332,800	1,169,800	1,290,270.19
Bureau of Engraving and Printing.....	11,505,500	10,605,500	8,126,551.89
Secret Service Division.....	3,366,000	2,591,000	2,584,684.07
Bureau of the Mint.....	6,273,000	5,663,000	6,224,605.58
Procurement Division.....	1,484,000	1,455,000	2,450,023.46
Miscellaneous.....			3,861,136.14
Total.....	326,576,243	303,066,769	284,840,408.21
Adjustment to daily Treasury statement basis.....			+24,020,358.48
Total Treasury Department.....	326,576,243	303,066,769	308,860,766.69

TABLE 105.—Detailed receipts and expenditures of general and special accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

General and special accounts	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>General government—Continued.</b>			
Civil departments and agencies—Continued.			
War Department (civil functions):			
Corps of Engineers.....	\$251,000	\$444,000	\$286,984.32
Panama Canal.....	18,706,509	21,305,000	10,581,485.17
Total.....	18,957,509	21,749,000	10,868,469.49
Adjustment to daily Treasury statement basis.....			-1,717,134.01
Total War Department (civil functions).....	18,957,509	21,749,000	9,151,335.48
Total civil departments and agencies.....	1,500,450,089	1,244,542,797	1,069,652,796.84
Post Office Department (General Fund).....	9,154		486,898.79
District of Columbia (Federal contribution).....	6,000,000	6,000,000	6,000,000.00
Total general government.....	1,564,742,343	1,304,088,397	1,120,488,934.60
Anticipated supplemental appropriations.....	875,000,000	1,350,000,000	
Statutory public debt retirement.....			2,000.00
Total expenditures, general and special accounts.....	13 32,124,982,043	13 66,643,679,135	100,404,596,685.54

<sup>a</sup> Counter entry (deduct).<sup>b</sup> Excess of credits (deduct).<sup>1</sup> Details of income taxes and miscellaneous internal revenue on collection basis with adjustments to daily Treasury statement basis. Details of employment taxes and railroad unemployment insurance contributions and customs on basis of daily Treasury statement. Details of miscellaneous receipts on basis of warrants issued with total adjusted to basis of daily Treasury statement. Details of expenditures on checks-issued basis with totals adjusted to basis of daily Treasury statement.<sup>2</sup> Amounts actually withheld are reported on collection basis by the Bureau of Internal Revenue in the first and second months following the quarter in which the actual withholdings took place. On daily Treasury statement basis a large portion of the amounts withheld is reported in the first month following the month in which the actual withholdings took place. The adjustment is the difference between the figure shown on collection basis and the figure shown on daily Treasury statement basis for the fiscal year.<sup>3</sup> Because of the time required for payments reported as tax collections toward the end of each month to clear through the banks and become available for expenditures on daily Treasury statement basis, an adjustment from collection basis to daily Treasury statement basis is necessary. A positive adjustment indicates that during the fiscal year more tax receipts on daily Treasury statement basis have been received than are reported as collections, and a negative adjustment indicates the reverse situation. The adjustment for total income and excess profits taxes other than withheld is arbitrarily assigned to the current individual income taxes.<sup>4</sup> Excise tax estimates have been prepared on the assumption that the reduction in tax rates which will become effective six months after the termination of hostilities will not take place in time to affect tax collections during fiscal year 1947.<sup>5</sup> Collections for credit to trust funds are not included.<sup>6</sup> Tax repealed by Revenue Act of 1945 effective July 1, 1946.<sup>7</sup> Includes collections from: Taxes on narcotics, taxes imposed under the National Firearms Act, and the tax on hydraulic mining, all of which are effective currently. In addition, includes collections from excise taxes repealed or suspended prior to and including the Revenue Act of 1943 (consisting primarily of rubber articles, electric signs, optical equipment, washing machines, vacuum cleaners, and manufacturers' tax on luggage), collections from the tobacco, matches, tires and tubes floor stocks taxes imposed by the Revenue Acts of 1941 and 1942, and collections from the tax under the Bituminous Coal Act of 1937 which expired Aug. 24, 1943.<sup>8</sup> Detailed estimates of appropriation for 1947 will be submitted to the Congress in the spring of 1946. The amount shown for 1947 is tentative.<sup>9</sup> Expenditures are shown under the various agencies to which funds are allocated.<sup>10</sup> Includes adjustment to daily Treasury statement basis of—\$5,261,536.56.<sup>11</sup> The estimates of appropriation for 1947 will be submitted to the Congress with the budget programs of the Government corporations in the spring of 1946. The amount shown for 1947 is tentative.<sup>12</sup> The Government Corporation Control Act, Public Law 248, approved Dec. 6, 1945, required each wholly owned Government corporation to submit annually to the President for transmittal to the Congress a budget program or plan of operations. Because of the lateness of the passage of the act, the 1947 budget programs of the corporations will be submitted to the Congress in the spring as a supplement to the regular Budget. The amount shown for 1947 is tentative.<sup>13</sup> If the legislation proposed in the Budget Message is enacted the expenditures would be increased to \$35,124,982,043 for 1947 and \$67,393,679,135 for 1946.

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947*

[On basis of 1947 Budget document]

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS</b>			
<b>Unemployment trust fund:</b>			
Deposits by States (net).....	\$1,001,400,000	\$1,055,500,000	\$1,256,002,876.17
Railroad unemployment insurance account:			
Deposits by Railroad Retirement Board.....	90,000,000	108,000,000	118,794,041.80
Transfers from States (act June 25, 1938).....			369,930.15
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940).....	7,952,730	9,617,970	8,948,213.00
Interest on investments.....	148,790,571	143,371,803	123,641,542.98
Total unemployment trust fund.....	1,248,143,301	1,316,489,773	1,507,756,604.10
<b>Federal old-age and survivors insurance trust fund:</b>			
Interest on investments.....	165,006,569	147,276,473	123,853,998.15
Net appropriation from General Fund receipts.....	1,425,810,000	1,097,730,000	1,282,969,759.85
Total Federal old-age and survivors insurance trust fund.....	1,590,816,569	1,245,006,473	1,406,823,758.00
<b>Veterans' life insurance funds:</b>			
National service life insurance fund:			
Premiums.....	305,600,000	891,200,000	954,147,778.13
Interest and profits on investments.....	161,320,000	128,640,000	56,746,736.32
Transfers from General Fund.....	169,535,000	1,228,000,000	1,116,524,685.43
Total national service life insurance fund.....	636,455,000	2,247,840,000	2,127,419,199.88
Government life insurance fund:			
Premiums and other receipts.....	45,230,000	47,965,000	57,727,398.36
Interest and profits on investments.....	39,731,000	42,367,000	39,472,000.30
Total Government life insurance fund.....	84,961,000	90,332,000	97,199,398.66
Total veterans' life insurance funds.....	721,416,000	2,338,172,000	2,224,618,598.54
<b>Federal employees' retirement funds:</b>			
Civil service retirement and disability fund:			
Deduction from salaries, etc.....	180,838,375	245,773,375	288,255,434.04
Interest and profits on investments.....	95,648,862	81,175,047	68,582,148.62
Transfers from General Fund—United States share.....	220,100,000	245,000,000	194,500,000.00
District of Columbia share.....	1,193,000	1,220,000	1,290,875.00
Total civil service retirement and disability fund.....	497,780,237	573,168,422	552,628,457.66
Canal Zone retirement and disability fund:			
Deductions from salaries, etc.....	1,333,443	1,277,987	1,142,878.33
Interest on investments.....	496,347	445,448	403,321.52
Transfers from General Fund—United States share.....	1,177,000	1,177,000	1,177,000.00
Total Canal Zone retirement and disability fund.....	3,006,790	2,900,435	2,723,199.85
Alaska Railroad retirement fund:			
Contributions.....	175,738	214,790	177,402.75
Interest on investments.....	101,958	88,415	75,520.54
Transfers from General Fund—United States share.....	217,000	217,000	175,000.00
Total Alaska Railroad retirement fund.....	494,696	520,205	427,923.29
Foreign service retirement and disability fund:			
Deductions from salaries, etc.....	275,000	275,000	237,975.22
Interest on investments.....	325,000	325,000	308,722.57
Transfers from General Fund—United States share.....	922,800	922,800	910,500.00
Total foreign service retirement and disability fund.....	1,522,800	1,522,800	1,457,197.79
Total Federal employees' retirement funds.....	502,804,523	578,111,862	557,236,778.59

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Railroad retirement account:</b>			
Interest on investments.....	\$24,015,000	\$19,874,000	\$15,240,493.19
Transfers from General Fund.....	230,895,200	359,250,800	308,817,000.00
Total railroad retirement account.....	254,910,200	379,124,800	324,057,493.19
<b>Other trust accounts:</b>			
Legislative branch:			
Library of Congress catalog card fees, deposits.....	35,000	35,000	37,506.06
Library of Congress copyright fees, deposits.....	50,000	50,000	59,780.75
Library of Congress gift fund.....	30,000	40,000	121,831.15
Library of Congress trust fund investment account.....	22,500	22,500	27,527.94
Library of Congress trust fund permanent loan account.....			65,646.37
Government Printing Office, Superintendent of Documents, unearned proceeds of sale of publications.....	1,000,000	1,000,000	1,214,175.34
Total legislative branch.....	1,137,500	1,147,500	1,526,467.61
The Judiciary:			
Deposits of collections:			
Clerks of the United States district courts.....			324,188.90
Clerks of the United States circuit courts of appeals.....			153,575.11
Clerk of the United States Court of Appeals for the District of Columbia.....			3,583.23
Clerk of Emergency Court of Appeals.....			1,418.43
Total The Judiciary.....			482,765.67
Executive Office of the President and independent offices:			
Canal Zone Biological Area fund, deposits.....	3,000	5,000	16,122.82
United States Employees' Compensation Commission, relief and rehabilitation and interest on investments, Longshoremen and Harbor Workers' Compensation Act.....	50,000	50,000	74,455.14
United States Employees' Compensation Commission, receipts and interest on investments, District of Columbia, Workmen's Compensation Act.....	6,000	6,000	18,352.20
Federal Communications Commission, receipts, international telecommunication settlements.....	12,000	10,000	3,212.97
Federal Power Commission, licenses under Federal Power Act from Indian reservations.....	214,180	196,000	196,480.83
General Accounting Office, withholdings from contractors for wage adjustments, act of Aug. 30, 1935.....	2,300	2,300	1,969.65
Government Services, Inc.....			13,798,633.89
Interstate Commerce Commission:			
Deposits, unearned permit fees.....			1,005.50
Deposits, unearned fees, admission of attorneys.....	800	800	830.00
National Archives: Franklin D. Roosevelt Library income, deposits.....	8,000	10,000	1,819.95
National Capital Housing Authority:			
Loan by United States Housing Authority for low-rent housing fund.....			* 17.55
Langston management, deposits.....	114,000	116,000	117,003.67
Completed properties, deposits.....	1,000,000	950,000	975,632.63
National Capital Park and Planning Commission.....		10,000	
National Industrial Recovery Administration, deposits of unclaimed code funds, State directors.....			* 281.56
Securities and Exchange Commission, deposits, unearned fees.....	175,000	175,000	177,641.00

\* Counter entry (deduct).



TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Executive office of the President and independent offices—Continued.			
Veterans' Administration:			
Adjusted service certificate fund:			
Interest on investments.....	\$15,910	\$260,000	\$933,812.90
Interest on loans.....			5,412.73
Transfers from General Fund.....			9,000,000.00
Total adjusted service certificate fund.....	15,910	260,000	9,939,225.63
Miscellaneous trust accounts:			
Funds due incompetent beneficiaries, deposits.....	400,000	400,000	708,788.47
General post fund, national homes, deposits.....	300,000	300,000	121,640.68
Personal funds of patients, deposits.....	5,700,000	5,700,000	8,273,552.94
Total Veterans' Administration.....	6,415,910	6,660,000	19,043,207.72
Total Executive Office of the President and independent offices.....	8,001,190	8,191,100	34,426,068.86
Federal Security Agency:			
Civilian Conservation Corps: Deposit account.....			46.00
Food and Drug Administration:			
Deposits, sea food inspection fees.....	16,000	16,000	15,870.02
Deposits, insulin certification fees.....	4,500	4,500	4,302.08
Deposits, penicillin certification fees.....	16,000	16,000	
Deposits, coal tar colors, certification fees.....	10,000	10,000	8,932.66
Public Health Service:			
Contributions and interest on investments, National Institute of Health conditional gift fund.....	5,000	5,000	8,998.74
Contributions to National Cancer Institute unconditional gift fund.....		60	96.45
Narcotic farm, deposits of personal funds and earnings of inmates.....	100,000	100,000	115,619.37
Proceeds from effects and moneys of former patients.....	6,000	6,000	6,718.94
Deposits, erection or support of hospitals for sick or disabled seamen.....			3,393.50
Saint Elizabeths Hospital:			
Personal funds of patients.....	380,000	412,000	397,625.35
Pension money.....	125,000	122,000	132,694.31
Contributions, Saint Elizabeths Hospital unconditional gift fund.....			10.00
Total Federal Security Agency.....	662,500	691,560	694,307.42
Federal Works Agency:			
Public Roads Administration: Contributions from States, etc., cooperative work, strategic network of highways.....		20,000	98,225.00
Office of the Administrator:			
Proceeds, sale of materials acquired under scrap-collection program.....		40,000	23,163.36
Unclaimed moneys due creditors of contractors with the United States under a cost-plus-a-fixed-fee contract.....		3,500	4,938.27
Total Federal Works Agency.....		63,500	126,326.63
National Housing Agency:			
Deposits, operation and maintenance of resettlement projects, Federal Public Housing Authority, act of Dec. 18, 1941 (55 Stat. 838).....	1,628,500	1,716,000	1,832,104.73
Deposits, unearned collections, title I, National Housing Act, as amended.....	75,000	200,000	389,332.96

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Other trust accounts—Continued.</b>			
National Housing Agency—Continued.			
Deposits, recoveries on real properties acquired under insurance granted prior to July 1, 1939, title I, National Housing Act.....	\$10,000	\$20,000	\$44,077.59
Deposits, reserve for maintenance and repair, lease and purchase agreements, Federal Public Housing Authority, act of June 26, 1934.....	3,000	5,000	8,259.13
Deposits toward purchase price, lease and purchase contracts, Federal Public Housing Authority, act of June 26, 1934.....	25,000	50,000	55,523.24
Total National Housing Agency.....	1,741,500	1,991,000	2,329,297.65
Department of Agriculture:			
Forest Service: Cooperative fund.....	2,000,000	2,000,000	3,406,067.55
Production and Marketing Administra- tion:			
Grain moisture content and grade determination for Commodity Credit Corporation, deposits by producers.....	1,771,029	750,000	740,669.15
Deposits, indemnity fund, county associations.....	10,000	10,000	14,164.58
Deposits of undistributed cotton price adjustment payments.....	500	500	533.62
Deposits of fees, inspection and grad- ing of farm products.....	5,715,000	6,936,000	6,343,415.24
Deposits by producers, expenses, grading of agricultural commodities for Commodity Credit Corporation.....	675,000	660,000	716,000.00
Commodity stamp trust fund, trans- fers from General Fund.....			* 18,105,953.25
Federal Surplus Commodities Cor- poration, proceeds from sale of hides.....			* 349,493.62
Farm Security Administration:			
Resettlement of rural rehabilitation projects, deposits.....	150,000	400,000	1,001,315.09
Assets of State rural rehabilitation corporations, deposits.....	6,000,000	6,500,000	9,020,187.12
Reserve for maintenance and repair, lease and purchase agreements, deposits.....		100	918.24
Deposits toward purchase price, lease and purchase contracts.....		5,000	77,005.62
Miscellaneous trust accounts:			
Deposits of miscellaneous contributed funds.....	100,000	100,000	132,021.10
Deposits, unearned fees and other charges, sec. 8a (4), Commodity Exchange Act.....	14,000	13,000	12,434.00
Deposits, unearned proceeds, lands, etc., Taylor Grazing Act.....			12.77
Deposits to secure payments for repro- duction of photographs, mosaics, and maps.....	27,000	27,000	25,652.19
Total Department of Agriculture.....	16,462,529	17,401,600	3,034,949.40
Department of Commerce:			
Bureau of the Census, deposits, special statistical work.....	180,000	180,000	192,554.76
Bureau of Foreign and Domestic Com- merce, deposits, special statistical work.....	8,450	15,350	7,126.26
Patent Office, deposits, unearned fees.....	65,000	65,000	64,863.38
Weather Bureau, deposits, special statisti- cal work.....		750	750.00
Total Department of Commerce.....	253,450	261,100	265,294.40

\* Counter entry (deduct).

TABLE 106.—Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Department of the Interior:			
Grazing Service:			
Contributions, grazing districts.....	\$75,000	\$75,000	\$72,803.95
Deposits, unearned proceeds, lands, etc., Grazing Service.....			11,638.28
General Land Office:			
Deposits, public survey work.....	10,000	10,000	6,771.87
Trustee funds, Alaska town sites.....	2,000	2,000	747.83
Deposits, unearned proceeds, lands, etc.....	1,343,070	1,343,070	1,182,984.53
Bureau of Indian Affairs:			
Contributions of funds for Indian projects.....			9,549.27
Deposits, leases, etc., Pawnee Indian Agency and school reserves, Oklahoma.....	1,300	1,300	1,496.11
Interest on tribal funds.....	600,000	615,000	594,501.07
Interest on proceeds of labor.....	230,000	235,000	225,607.29
Proceeds of sales and leases of Indian lands, etc.....	4,500,000	4,240,000	4,238,959.75
Annette Islands reserve, Alaska, deposits, leases, etc.....	45,000	50,000	45,675.11
Proceeds of labor (act June 13, 1930).....	2,200,000	2,230,000	2,235,552.74
Proceeds of labor, Indian moneys, agencies, schools, etc.....	667,500	675,000	673,899.19
Puye Cliff Ruins, New Mexico, admission fees.....	400	300	350.00
Indian ceded lands, receipts due to Indians under Grazing Act, June 28, 1934.....			211.93
Bureau of Reclamation: Contributions to reclamation fund.....	1,358,300	1,360,300	1,076,842.14
Southwestern Power Administration:			
Deposits from sale and transmission of electric energy, Grand River Dam project, Oklahoma:			
Operating revenues.....		1,830,000	2,164,911.13
Public Works Administration loan and grant funds.....			8,796.37
National Park Service:			
Preservation of birthplace of Abraham Lincoln, interest on endowment fund.....	2,393	2,393	2,392.50
Donations for lands, etc.....	20,000	41,500	
Contributions to national park trust fund.....	1,500	1,500	1,612.00
Income on investments.....	500	500	500.76
Proceeds from effects of deceased employees.....			287.82
Fish and Wildlife Service:			
Deposits, contributed funds.....	12,000	12,000	14,698.40
Fox and fur seal industries, Pribilof Islands, advances.....	105,000	104,600	184,653.00
Deposits, unearned proceeds, sales of furs.....	700	700	32.32
Government in the Territories: Funds contributed for improvement of roads, bridges, and related works, Alaska.....	125,000	125,000	88,413.31
Total Department of the Interior.....	11,299,663	12,955,163	12,843,888.67
Department of Justice:			
Legal activities and general administration: United States marshals, deposits of collections.....			400,771.97
Immigration and Naturalization Service:			
Deposits of funds of aliens who become public charges.....	10,000	10,000	4,508.00
Deposits to secure payment of fines and passage money.....	25,000	25,000	44,525.50
Deposits, unearned naturalization fees.....	4,000	4,000	8,763.99
Federal Prison System:			
Deposits of funds of Federal prisoners.....	2,000,000	2,000,000	1,684,097.67
Deposits of commissary funds, Federal prisons.....	950,000	950,000	760,319.20
Total Department of Justice.....	2,980,000	2,980,000	2,804,458.35

• Counter entry (deduct).

TABLE 106.—Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
RECEIPTS—Continued			
Other trust accounts—Continued.			
Department of Labor:			
Deposits by State agencies, supply and distribution of farm labor, employment services, War Manpower functions.....	\$250,000	\$250,000	\$444,661.25
Navy Department:			
Contributions to United States Naval Academy Museum fund.....			2,448.26
Contributions to United States Naval Academy, general gift fund.....			200.00
Income on investments, United States Naval Academy, general gift fund.....	2,100	2,100	1,530.23
Income on investments, United States Naval Academy Museum fund.....	10	21,500	10.79
Profits from sale of ships' stores.....	2,500,000	7,500,000	16,731,473.73
Navy fines and forfeitures, deposits.....			12,916.23
Pay of the Navy, deposits.....	271,000	604,000	883,043.21
Navy hospital fund, deposits.....			33,923.57
Pay of the Marine Corps, deposits.....	400,000	1,300,000	1,929,683.80
Funds of United States naval prisoners, deposits.....			1,383.00
Personal funds of naval and civilian per- sonnel located overseas, deposits.....	2,000,000	3,000,000	2,279,515.09
Unclaimed moneys due creditors of con- tractors with the United States under a cost-plus-a-fixed-fee contract.....	100,000	100,000	53,195.15
Deposits, compensation awards, property requisitioned for national defense.....		7,000	252,722.25
Total Navy Department.....	5,273,110	12,534,600	22,182,045.31
Department of State:			
Settlement of claims, Special Claims Commission, under art. 2 of conven- tion, Apr. 24, 1934, between the United States and Mexico.....			452,500.34
Settlement of claims, Special Claims Commission, under art. 1 of agree- ment, Oct. 25, 1934, between the United States and Turkey.....			99,338.09
Deposits of collections, Mexican claims fund.....	2,500,000	2,500,000	2,500,000.00
Deposits, Mexican claims fund, expropria- tion of petroleum properties and default of bonds.....	4,085,000	4,085,000	4,085,327.45
Deposits, American Republics, the Phil- ippines, and Liberia for expenses of detail of United States employees.....	25,000	15,000	13,381.00
Wages due American seamen.....	40,000	40,000	33,945.80
Estates of decedents.....	5,000	5,000	5,546.06
Deposits, unearned passport and applica- tion fees.....			82,180.64
Deposits, compensation awards, property requisitioned for national defense Foreign Economic functions.....		43,000	150,726.27
Total Department of State.....	6,655,000	6,688,000	7,422,945.65
Treasury Department:			
Fiscal Service:			
Deposits from redemption of Govern- ment bonds, interest coupons, etc., found and owners unknown.....			35.56
Proceeds of Government obligations held for rightful owners.....			265.00
Proceeds from redemption of unde- livered Liberty Loan bonds belong- ing to subscribers whose where- abouts are unknown.....	5,000	5,000	6,947.20
Bureau of Internal Revenue:			
American Samoa, coconut-oil tax, internal revenue.....	1,500	1,500	1,425.03
Philippine Islands, internal revenue collections.....	500	500	
Philippine Islands, coconut-oil tax, internal revenue.....	1,150,000	6,410,000	* 27,958.37
Puerto Rico, internal revenue collec- tions.....	10,000	10,000	2,179.82

\* Counter entry (deduct).



TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Treasury Department—Continued.			
Bureau of Internal Revenue—Continued.			
Puerto Rico and Virgin Islands, deposits for expenses, Treasury Department, enforcement title III, National Prohibition Act, as amended.....	\$68,000	\$68,570	\$47,880.00
United States Processing Tax Board of Review: Deposits, unearned fees and costs.....			374.05
Total Treasury Department.....	1,235,000	6,495,570	31,148.29
War Department:			
Funds held for military personnel and related units overseas.....	3,000,000	10,000,000	33,293,164.74
Pay of the Army, deposit fund.....	15,000,000	50,000,000	152,529,856.94
Personal funds of military and civilian personnel located overseas, deposits.....	150,000,000	300,066,666	677,987,164.93
Proceeds from effects of mentally incompetent soldiers.....	250,000	500,000	319,467.29
Proceeds from estates of deceased personnel.....	10,000	20,000	20,917.58
Proceeds from estates of deceased soldiers, Regular Army.....	150,000	200,000	886,118.26
Interest on investments, bequest of Maj. Gen. Fred C. Ainsworth to Walter Reed General Hospital.....	279	279	278.88
Soldiers' Home permanent fund.....	1,881,000	1,881,000	3,228,834.42
Fort Monroe, Va., contributions for sewerage system.....	15,000	15,000	15,985.43
Deposits, operating costs of plants by Army under Executive orders.....			584,864.03
Deposits, cash collection, United States savings bonds, overseas.....	1,000,000	7,500,000	19,784,985.70
Deposits, air transportation, Air Transport Command.....	10,000,000	15,406,000	1,668,518.34
Deposits, unapplied balances from class A pay reservations of mentally incompetent and deceased employees, United States war savings bonds.....	2,500	11,500	42,410.14
Deposits, fund of civilian internees and prisoners of war.....	20,000,000	50,000,000	24,726,915.65
Deposits, emergency transfers, war refugees.....			140,045.00
Moneys collected by United States forces in occupied territory or under martial law, Territory of Hawaii.....		1,000	92,876.00
Contributions for river and harbor improvements.....	75,000	127,700	115,277.47
Contribution of funds for flood control.....		541,760	1,082,862.85
Refund of unapplied balances under class B allotments, United States war savings bonds.....	25,000	50,000	679,080.74
Unclaimed moneys due creditors of contractors with the United States under a cost-plus-a-fixed-fee contract.....	3,000	20,000	161,095.01
Deposits, compensation awards, property requisitioned for national defense.....			186,352.29
Total War Department.....	201,411,779	436,274,239	917,547,071.69
District of Columbia:			
Revenues.....	76,259,429	66,633,700	67,199,294.00
Transfer from general fund (Federal contribution).....	6,000,000	6,000,000	6,000,000.00
Total District of Columbia.....	82,259,429	72,633,700	73,199,294.00
Miscellaneous trust accounts:			
Deposits, miscellaneous and excess collections.....	500	20,500	3,031.63
Deposits of unclaimed moneys of individuals whose whereabouts are known.....	1,050	1,450	5,215.07
Unclaimed moneys of individuals whose whereabouts are unknown.....	31,980	47,570	40,772.31
Total miscellaneous trust accounts.....	33,530	69,520	49,019.01

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>RECEIPTS—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Increment resulting from reduction in the weight of the gold dollar .....	\$100,000	\$100,000	\$120,879.96
Seigniorage (Silver Purchase Act) .....		247,000,000	
Total .....	339,765,180	827,737,152	1,079,620,889.82
Adjustments to daily Treasury statement basis .....			-41,503,211.85
Total other trust accounts .....	339,765,180	827,737,152	1,038,117,677.97
Total receipts, trust accounts .....	4,657,855,773	6,684,642,060	7,058,610,910.39
<b>EXPENDITURES</b>			
<b>Unemployment trust fund:</b>			
Investments in United States securities .....	238,143,301	311,489,773	1,437,173,400.00
Railroad unemployment insurance account .....	10,000,000	5,000,000	785,401.92
State accounts:			
Withdrawals by States .....	1,000,000,000	1,000,000,000	70,122,000.86
Transfer to railroad unemployment account (act of June 25, 1938) .....			369,930.15
Total unemployment trust fund .....	1,248,143,301	1,316,489,773	1,508,450,732.93
<b>Federal old-age and survivors insurance trust fund:</b>			
Benefit payments .....	407,000,000	323,000,000	239,833,904.85
Investments in United States securities .....	1,183,816,569	951,697,753	1,137,410,920.00
Total Federal old-age and survivors insurance trust fund .....	1,590,816,569	1,274,697,753	1,377,244,824.85
<b>Veterans' life insurance funds:</b>			
<b>National service life insurance fund:</b>			
Investments in United States securities .....	408,820,000	2,013,080,000	1,973,700,000.00
Insurance losses and refunds .....	227,635,000	234,760,000	128,161,422.05
<b>Government life insurance fund:</b>			
Investments in United States securities .....	28,481,000	30,752,000	72,826,289.50
Insurance losses and refunds .....	56,480,000	59,580,000	24,509,933.86
Total veterans' life insurance funds .....	721,416,000	2,338,172,000	2,199,197,645.41
<b>Federal employees' retirement funds:</b>			
<b>Civil service retirement and disability fund:</b>			
Annuities and refunds .....	148,382,721	183,838,378	148,358,285.05
Investments in United States securities .....	349,397,516	391,887,002	397,357,000.00
<b>Canal Zone retirement and disability fund:</b>			
Annuities and refunds .....	1,753,610	1,531,335	1,545,242.05
Investments in United States securities .....	1,253,180	1,465,014	1,111,000.00
<b>Alaska Railroad retirement and disability fund:</b>			
Annuities and refunds .....	169,824	154,386	186,223.51
Investments in United States securities .....	324,872	479,184	156,000.00
<b>Foreign service retirement and disability fund:</b>			
Annuities and refunds .....	627,300	627,300	538,384.69
Investments in United States securities .....	895,500	895,500	824,000.00
Total Federal employees' retirement funds .....	502,804,523	580,878,099	550,076,135.30
<b>Railroad retirement account:</b>			
Benefit payments .....	176,000,000	161,000,000	141,444,643.89
Investments in United States securities .....	79,000,000	218,000,000	182,000,000.00
Total railroad retirement account .....	255,000,000	379,000,000	323,444,643.89

TABLE 106.—Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Other trust accounts:</b>			
Legislative branch:			
Library of Congress:			
Gift fund.....	30,000	120,000	110,832.29
Income from investment account.....	20,000	20,000	25,626.73
Contributions to permanent loan account.....			
Unearned copyright fees.....	10,000	10,000	19,211.70
Unearned catalog card fees.....	1,000	1,000	302.51
Expenses of depository sets of Library of Congress catalog card sets.....		50	2,206.99
Government Printing Office: Unearned proceeds of sale, etc., of publications, Superintendent of Documents.....	1,000,000	1,137,200	891,394.37
Total legislative branch.....	1,061,000	1,288,250	1,049,574.59
The Judiciary: Fees and other collections, clerks of United States district courts.....			1,496,117.05
Executive Office of the President and independent offices:			
Executive Office of the President: War agencies <sup>1</sup> .....			2,245,000.00
Canal Zone Biological Area fund.....	8,000	8,000	9,078.66
United States Employees' Compensation Commission:			
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act.....	15,000	15,000	100,828.15
Relief and rehabilitation, District of Columbia Workmen's Compensation Act.....	4,000	4,000	6,367.38
Federal Communications Commission: International telecommunication settlements.....	9,000	7,500	5,071.50
General Accounting Office: Wages of employees of contractors.....	2,000	2,000	1,733.29
Interstate Commerce Commission: Unearned fees, admission of attorneys.....		100	80.00
National Archives:			
Franklin D. Roosevelt Library, income account.....	9,000	1,000	16.66
Franklin D. Roosevelt Library, gift fund.....	300		
National Archives trust fund donations.....	20,000	100	820.22
National Capital Housing Authority:			
Low-rent housing fund, construction loan by United States Housing Authority.....		175,000	455,246.66
Operation and maintenance, completed properties.....	1,500,000	1,600,000	914,837.09
Langston management.....	125,000	150,000	121,605.43
National Capital Park and Planning Commission: Contributed funds.....	21,900	28,600	3,656.93
Railroad Retirement Board: Unclaimed moneys of individuals whose whereabouts are known.....			84.19
Securities and Exchange Commission: Unearned fees.....	12,000	12,000	10,516.38
Veterans Administration:			
Personal funds of patients.....	5,700,000	5,700,000	5,754,544.56
General post fund.....	275,000	275,000	188,547.01
Adjusted service certificate fund:			
Investments in United States securities.....	717,910	13,799,000	8,796,315.37
Insurance losses and refunds.....			
Funds due incompetent beneficiaries.....	185,000	185,000	181,597.51
Unclaimed moneys of individuals whose whereabouts are known.....			
Government Services, Inc.....			13,290,335.99
Total Executive Office of the President and independent offices.....	8,604,110	21,962,300	32,086,282.98

<sup>1</sup> Detailed estimates of appropriation for 1947 will be submitted to the Congress in the spring of 1946. The amount shown for 1947 is tentative.

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Federal Security Agency:			
American Printing House for the Blind:			
To promote the education of the blind, interest.....	\$10,000	\$10,000	\$10,000.00
Food and Drug Administration:			
Coal-tar colors certification fees.....	24	24	9.00
Sea-food inspections.....	9,686	9,686	13,618.11
Freedmen's Hospital: Unconditional gift fund, investment account.....			<sup>b</sup> 225.00
Public Health Service:			
National Institute of Health gift fund, National Institute of Health conditional gift fund.....	5,000	5,000	3,367.83
National Cancer Institute conditional gift fund.....			60.00
National Cancer Institute unconditional gift fund.....			
Personal funds and earnings of inmates, narcotic farms.....	100,000	100,000	119,675.76
Moneys and effects of former patients. Erection and support of hospitals for sick and disabled seamen.....	500	500	451.79
Working fund.....			584.52
Saint Elizabeths Hospital:			20,647.42
Pension money.....	95,000	90,000	78,666.64
Personal funds of patients.....	390,000	390,000	349,669.48
Unconditional gift fund.....			
Office of the Administrator:			
Civilian Conservation Corps:			
Savings fund.....			53,159.93
Estates of deceased and mentally incompetent enrolled members.....			1,222.07
Total Federal Security Agency.....	610,210	605,210	650,907.55
Federal Works Agency:			
Office of the Administrator:			
Unclaimed moneys due creditors of contractors with the United States under cost-plus-a-fixed-fee contract.....		8,315	124.12
Work Projects Administration: Sale of material acquired under scrap collection program.....		447	73.54
Unclaimed moneys of individuals whose whereabouts are known.....			
Public Buildings Administration: Working fund.....		30,000	<sup>b</sup> 25,548.77
Public Roads Administration:			
Cooperative work, strategic network of highways.....		5,000	94,356.87
Working fund.....			<sup>b</sup> 20,373.32
Total Federal Works Agency.....		43,762	48,632.44
National Housing Agency <sup>1</sup> .....	1,270,000	1,320,000	1,211,802.16
Department of Agriculture:			
Extension Service: Working fund.....		100	<sup>b</sup> 1,679.63
Agricultural Research Administration:			
Working fund.....	2,200	7,800	8,488.06
Forest Service:			
Cooperative work.....	2,500,000	2,500,000	2,258,451.03
Working fund.....		7,700	<sup>b</sup> 3,966.12
Production and Marketing Administration:			
Moisture content and grade determinations for Commodity Credit Corporation.....	5,800	4,200	1,158.66
Indemnity fund, county associations.....	8,800	13,700	1,356.22
Undistributed cotton price adjustment payments.....	500	470	25.51
Expenses and refunds, inspection and grading of farm products.....	5,900,000	6,500,000	4,624,526.55

<sup>b</sup> Excess of credits (deduct).<sup>1</sup> Detailed estimates of appropriation for 1947 will be submitted to the Congress in the spring of 1946. The amount shown for 1947 is tentative.



TABLE 106.—Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Department of Agriculture—Continued.			
Production and Marketing Administration—Continued.			
Grading of agricultural commodities for Commodity Credit Corporation.	\$800,000	\$750,000	\$614,747.56
Expenses, sale of hides, Surplus Commodities Corporation.			229,734.95
Redemption of order stamps.		220	16,200.92
Working fund (trust account).	700	1,800	714.18
Working fund, Food Distribution Administration (trust account).		400	4,318.80
Working fund, Office of Distribution (trust account).		32,400	<sup>b</sup> 32,435.20
Farm Security Administration:			
Payments in lieu of taxes and for operation and maintenance of resettlement projects.	300,000	800,000	1,397,358.28
State Rural Rehabilitation Corporation funds.	8,600,000	10,000,000	6,329,989.44
Drainage district assessments on acquired lands.			1,709.84
Liquidation of deposits, reserve for maintenance and repair, lease and purchase agreements.		800	1,709.51
Liquidation of deposits, lease and purchase of contracts.	65,000	220,000	66,939.14
Miscellaneous trust accounts:			
Miscellaneous contributed funds.	150,000	250,000	399,325.76
Return of excess deposits for reproductions of photographs, mosaics, and maps.	1,000	1,500	926.89
Unclaimed moneys of individuals whose whereabouts are known.	100	100	25.23
Total Department of Agriculture.	18,334,100	21,091,190	15,919,625.58
Department of Commerce:			
Office of the Secretary: Working fund.			<sup>b</sup> 85.15
Bureau of the Census:			
Special statistical work.	180,000	160,000	165,400.27
Working fund.			<sup>b</sup> 69,511.53
Office of Administrator of Civil Aeronautics: Working fund.			12,303.55
Bureau of Foreign and Domestic Commerce: Special statistical work.			8,710.61
Patent Office:			
Unearned fees.	30,000	30,000	18,220.39
Working fund.			<sup>b</sup> 3,520.41
National Bureau of Standards: Working fund.			10,177.46
Weather Bureau:			
Special statistical work.			2,291.76
Working fund.			
Total Department of Commerce.	210,000	190,000	143,986.95
Department of the Interior:			
Southwestern Power Administration:			
Grand River Dam project.	546,700	1,844,000	1,366,711.24
Grazing Service:			
Funds contributed for administration, protection, and improvement of grazing districts.	75,000	90,000	79,172.69
Unearned proceeds, lands, etc., Grazing Service.	400	500	392.35
General Land Office:			
Expenses, public survey work.	10,000	10,000	5,639.27
Trustee funds, Alaska town sites.	2,000	2,000	169.93
Unearned proceeds, lands, etc.	100,000	200,000	228,634.61
Bureau of Indian Affairs:			
Miscellaneous trust funds of Indian tribes.	7,500,000	7,351,000	6,492,514.81
Indian moneys, proceeds of labor.	570,000	585,000	393,120.69

<sup>b</sup> Excess of credits (deduct).

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Other trust accounts—Continued.</b>			
Department of the Interior—Continued.			
Bureau of Reclamation: Reclamation trust funds.....	\$1,415,000	\$1,690,000	\$1,231,858.33
Geological Survey: Working fund.....			17,602.36
National Park Service:			
National Park Service, donations.....	19,300	54,500	158.64
Preservation, birthplace of Abraham Lincoln.....	2,500	3,000	16,714.84
National Park trust fund.....	2,000	2,000	
Jefferson National Expansion Memorial, contribution.....	57,000	70,000	192,945.03
Fish and Wildlife Service:		12,500	
Miscellaneous contributed funds.....	11,500		11,494.92
Fox and fur seal industries, Pribilof Islands.....	140,000	115,000	82,605.25
Expenses, sale of furs.....	600	600	188.29
Government in the Territories: Funds contributed for improvement of roads, bridges, and trails, Alaska.....	125,000	133,000	274,453.07
Total Department of the Interior.....	10,577,000	12,163,100	10,394,376.32
Department of Justice:			
Legal activities and general administration:			
Fees and other collections, United States Marshals.....		8,400	375,691.41
Working fund, Office of the Attorney General.....			<sup>b</sup> 6,369.52
Working fund, miscellaneous trust fund.....			3,725.26
Immigration and Naturalization Service:			
Disposition of deposits of aliens who become public charges.....	10,000	6,000	687.13
Return of deposits to secure payment of fines and passage money.....	18,000	10,300	11,273.00
Unearned naturalization fees.....		4,200	14,870.48
Federal Prison System:			
Funds of Federal prisoners.....	2,000,000	1,988,800	1,628,801.70
Commissary fund, Federal prisons.....	950,000	950,000	698,657.73
Total Department of Justice.....	2,978,000	2,967,700	2,727,337.19
Department of Labor:			
War manpower functions <sup>1</sup> .....	400,000	300,000	502,669.51
Bureau of Labor Statistics: Working fund.....			2,934.00
Children's Bureau: Working fund.....			100.00
Total Department of Labor.....	400,000	300,000	505,703.51
Navy Department <sup>1</sup> .....	3,500,000	12,000,000	15,860,310.69
Department of State:			
Foreign economic functions <sup>1</sup> .....	200,000	100,000	9,334.39
Miscellaneous trust accounts.....	6,655,000	6,645,000	213,782.29
Total Department of State.....	6,855,000	6,745,000	223,116.68
Treasury Department:			
Bureau of Accounts:			
Return of proceeds of Government obligations held for rightful owners.....			
Payment of unclaimed moneys.....	65,000	65,000	114,648.00
Payment of unclaimed moneys of individuals whose whereabouts are known.....			
Outstanding liabilities.....			<sup>b</sup> 791,465.51
Payment of proceeds of Government bonds, interest coupons, etc., found.....			

<sup>b</sup> Excess of credits (deduct).<sup>1</sup> Detailed estimates of appropriation for 1947 will be submitted to the Congress in the spring of 1946. The amount shown for 1947 is tentative. <sup>a</sup>

TABLE 106.—*Detailed receipts and expenditures of trust accounts, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947—Continued*

Trust accounts	Estimated		Actual, fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>EXPENDITURES—Continued</b>			
<b>Other trust accounts—Continued.</b>			
<b>Treasury Department—Continued.</b>			
Bureau of Internal Revenue:			
American Samoa trust fund, coconut-oil tax (internal revenue).....	\$1, 500	\$10, 000	-----
Philippine trust fund (internal revenue).....	1, 000	1, 302, 000	-----
Philippine trust fund, coconut-oil tax (internal revenue).....	7, 560, 000	169, 000	<sup>b</sup> \$17, 159. 25
Puerto Rico trust fund (internal revenue).....	10, 000	1, 017, 000	12, 577. 02
Expenses, Treasury Department, enforcement title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands.....	68, 000	71, 000	49, 163. 44
Miscellaneous accounts:			
Transferred from:			
Mexican Claims Fund, State.....	2, 500, 000	2, 500, 000	1, 443, 226. 94
Mexican Claims Fund, expropriation of petroleum properties and default of bonds, State.....	4, 000, 000	4, 000, 000	3, 933, 590. 07
Payment of claims, Special Claims Commission under art. 2 of convention Apr. 24, 1934, between the United States and Mexico.....	50, 000	350, 000	358, 567. 76
Total Treasury Department.....	14, 255, 500	9, 484, 000	5, 103, 148. 47
<b>War Department:</b>			
Military trust funds <sup>1</sup> .....	240, 000, 000	570, 000, 000	288, 310, 167. 45
Civil functions:			
Corps of Engineers (rivers and harbors):			
Funds contributed for river and harbor improvements.....	175, 000	207, 000	199, 551. 12
Funds advanced for improvement of rivers and harbors.....		71, 000	-----
Funds contributed for flood control, rivers and harbors.....		1, 762, 000	202, 525. 94
Funds advanced for flood control, rivers and harbors.....		128, 000	640, 436. 44
Working fund, War, Engineers, civil trust fund.....		2, 709, 000	1, 182, 345. 58
U. S. Soldiers' Home: Maintenance and operation of the U. S. Soldiers' Home (annual appropriation).....	1, 416, 000	1, 233, 000	1, 081, 607. 67
Total civil functions.....	1, 591, 000	6, 110, 000	3, 306, 466. 75
Total War Department.....	241, 591, 000	576, 110, 000	291, 616, 634. 20
District of Columbia.....	87, 863, 600	81, 133, 441	66, 956, 319. 87
Chargeable against increment on gold, melting losses, etc.....			3, 821. 34
Total.....	398, 109, 520	747, 403, 953	445, 997, 697. 57
Adjustment to daily Treasury statement basis.....			-20, 622, 351. 45
Total other trust accounts.....	398, 109, 520	747, 403, 953	425, 375, 346. 12
<b>Special deposit accounts (net):</b>			
Federal tax withholdings.....	10, 000, 000	40, 000, 000	31, 726, 982. 52
Payroll allotments, war and victory bonds.....	5, 000, 000	10, 000, 000	18, 295, 742. 67
Other special deposit accounts.....	200, 000, 000	250, 000, 000	<sup>b</sup> 1, 402, 496, 362. 93
Total.....	215, 000, 000	300, 000, 000	<sup>b</sup> 1, 352, 473, 637. 74
Adjustment to daily Treasury statement basis.....			+50, 494, 439. 04
Total special deposit accounts.....	215, 000, 000	300, 000, 000	<sup>b</sup> 1, 301, 979, 198. 70
Total expenditures, trust accounts.....	4, 931, 289, 913	6, 936, 641, 578	5, 081, 810, 129. 80

<sup>b</sup> Excess of credits (deduct).<sup>1</sup> Detailed estimates of appropriation for 1947 will be submitted to the Congress in the spring of 1946. The amount shown for 1947 is tentative.

TABLE 107.—*Summary of cash operations of the United States Treasury, actual for the fiscal year 1945 and estimated for the fiscal years 1946 and 1947*

[On basis of 1947 Budget document]

Description	Estimated		Actual, <sup>1</sup> fiscal year 1945
	Fiscal year 1947	Fiscal year 1946	
<b>GENERAL FUND BALANCE</b>			
Treasury cash balance at beginning of year.....	\$11,913,691,211	\$24,697,729,352	\$20,168,551,622.30
<b>Receipts (based upon present legislation):</b>			
General and special accounts (net) <sup>2</sup> .....	31,512,702,700	38,608,827,952	46,456,554,579.71
Trust accounts (including transfers from general and special accounts).....	4,657,855,773	6,684,642,060	7,058,610,910.39
Total receipts.....	36,170,558,473	45,293,470,012	53,515,165,490.10
Borrowings (net increase in direct public debt)...	—4,000,000,000	16,317,812,590	57,678,800,188.80
Total cash balance, receipts and borrowings..	44,084,249,714	86,309,011,954	131,362,517,301.20
<b>Expenditures:</b>			
General and special accounts (excluding statutory public debt retirements).....	35,124,982,043	67,393,679,135	100,404,594,685.54
Checking accounts of Government corpora- tions and credit agencies, etc., with the Treasurer of the United States (net).....	802,000,000	65,000,000	1,178,383,134.11
Trust accounts.....	4,931,289,913	6,936,641,578	5,081,810,129.80
Total expenditures.....	40,858,271,956	74,395,320,713	106,664,787,949.45
Treasury cash balance at end of year.....	3,225,977,758	11,913,691,241	24,697,729,351.75
<b>EFFECT OF OPERATIONS ON THE PUBLIC DEBT</b>			
Public debt at beginning of year.....	275,000,000,000	258,682,187,410	201,003,387,221.13
<b>Net increase in public debt during year:</b>			
General and special accounts, excess of ex- penditures over receipts.....	3,612,279,343	28,781,851,183	53,948,042,105.83
Checking accounts of Government corpora- tions and credit agencies, etc., net expendi- tures.....	802,000,000	65,000,000	1,178,383,134.11
Trust accounts, excess of receipts over ex- penditures.....	273,434,140	251,999,518	—1,976,800,780.59
Statutory debt retirements.....			—2,000.00
Adjustment for increase in Treasury cash balance.....	—8,687,713,483	—12,784,038,111	+4,529,177,729.45
Increase in public debt during year.....	—4,000,000,000	16,317,812,590	57,678,800,188.80
Public debt at end of year.....	271,000,000,000	275,000,000,000	258,682,187,409.93

<sup>1</sup> On basis of daily Treasury statement.<sup>2</sup> Excludes net appropriations to Federal old-age and survivors insurance trust fund.



# INDEX

## A

	Page
Accounts, Bureau of:	
Agent cashiers outside of Treasury .....	131
Bonded certifying officers, number .....	131
Budgetary administration and financial reporting regulations .....	122
Card checks .....	123, 131
Certificates of deposit forms revised .....	138
Depositary system, changes in .....	134
Disbursing functions .....	130
Disbursing officers allowed credit for certain disallowances .....	133
Fiscal operations study .....	123
Foreign checks held in special deposit account .....	145
Foreign currencies, special deposit accounts .....	126
Foreign exchange transactions .....	125
Foreign financial transactions .....	123, 131
Government losses in Shipment Act operations .....	136
Income tax withheld from salaries of Federal employees .....	131
Investment activities .....	140
Receipt, appropriation, and expenditure accounts maintained .....	129
Renegotiation Act refunds .....	126
Surety bond operations .....	139
Undelivered savings bonds and unclaimed payroll deductions received from war contractors .....	164
Accounts through which Treasury operations are effected, description of ..	438
Adjusted service certificates exchanged for adjusted service bonds, procedure .....	325
Adjusted service certificate fund .....	452, 472, 478, 536, 540, 623, 751, 757
Administrative and staff officers of the Treasury Department .....	xi
Admissions, tax .....	480, 482, 486, 725
Agencies, Government. (See Contingent liabilities of U. S.; Corporations and agencies, Government; also titles of certain agencies.)	
Agricultural adjustment taxes, claims paid .....	207
Agricultural programs, expenditures .....	460, 478, 715, 719, 741
Ainsworth Library fund, Walter Reed General Hospital .....	624
Airplanes and passengers entering U. S. ....	192
Alaska Railroad retirement fund .....	452, 472, 536, 540, 624, 742, 749, 756
Alcoholic beverages. (See Liquor; Internal Revenue Bureau.)	
Alien and mixed claims, Treasury administration of .....	147
Alien property investment account .....	183
Alien property trust fund .....	142
Armenia, obligations owned by U. S., status .....	621
Assessments, receipts .....	726
Attorneys and agents enrolled and disbarred .....	236
Automobiles and boats, use tax .....	480, 482, 486, 725
Automobiles entering U. S. ....	191
Automobiles, trucks, tires, inner tubes, etc., taxes .....	479, 482, 725
Axis assets located and neutralized .....	106

## B

Back taxes. (See Receipts.)

Banks:

    Commercial:

Series F and G savings bond purchases .....	582
War loan participation restricted .....	39, 47, 50, 326
War loan security purchases .....	568
Depositaries for receipt of withheld taxes .....	134
Investments in Federal securities, summary .....	48

Banks—Continued	Page
Military reservation facilities, volume of business	135
Security holdings, amounts	678, 686, 691
Banks for cooperatives	616, 619, 648, 664
Bases of tables, explanation of	437
Beer tax	481, 484, 724
Belgium, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Bills, Treasury:	
Description of issues and amounts outstanding	519
Discount paid	597
Discussion	64
Issued, redeemed, and outstanding	536, 538, 545
Offerings and amounts accepted	286
Bonds, adjusted service:	
Certificates exchangeable for	325
Interest	597, 598, 599
Issued, redeemed, and outstanding	65, 519, 533, 536, 538
Redemption procedure, statement by Secretary of Treasury	323
Redemption regulations amended	324
Bonds, conversion	511, 533, 542, 597
Bonds, depository:	
Allotted to depositories and redeemed	135
Description of issues and amounts outstanding	517
Discussion	65, 135
Interest	597, 598
Issued, redeemed, and outstanding	533, 536, 538, 544
Bonds, excess profits tax refund:	
Description	528
Discussion	65
Issued	31, 466, 478, 536
Outstanding	555
Bonds, issues of capital stock, deeds of conveyance, etc., taxes	481, 485, 725
Bonds, Liberty	525, 533, 548, 597, 598
Bonds, Panama Canal loan	511, 525, 533, 542, 597, 598
Bonds, postal savings	511, 525, 533, 538, 542, 597
Bonds, Treasury:	
Description of issues and amounts outstanding	511
Interest paid on	597, 598
Interest payable, paid, and outstanding unpaid	597
Issued, redeemed, and outstanding	533, 536, 538, 542
Offerings and allotments:	
Nov. 20, 1944, 1952-54, dated Dec. 1, 1944	264, 267
Nov. 20, 1944, 1952-54 (additional), dated Dec. 1, 1944	269, 273
Nov. 20, 1944, 1966-71, dated Dec. 1, 1944	261, 267
Nov. 20, 1944, 1966-71 (additional), dated Dec. 1, 1944	267, 273
May 14, 1945, 1950, dated June 1, 1945	282, 284
May 14, 1945, 1959-62, dated June 1, 1945	280, 284
May 14, 1945, 1967-72, dated June 1, 1945	279, 284
Redemption call:	
Dec. 15, 1944, for bonds of 1944-54	258
May 14, 1945, for bonds of 1945-47	277
Yield, average	608
Bonds, U. S. savings ( <i>see also</i> Public Debt Bureau):	
Accrual of redemption values on bonds outstanding	580
Description of issues and amounts outstanding	516
Discount paid	597, 598, 599
Discussion	51
Held by Treasurer in safekeeping	183
Issued, redeemed, and outstanding	533, 536, 538, 543, 580
Issuing agents for Series E bonds	135
Redemptions:	
Banks and trust companies authorized to act	60, 310
By years, months, and series	55, 579, 580
Compared with outstanding	59
Compared with sales of each denomination	60
Cumulative compared with cumulative sales	57

Bonds U. S. savings—Continued	Page
Redemptions—Continued	
Discussion.....	55
Financial institutions authorized to act.....	314
Losses from, payables from Government Losses in Shipment Act fund.....	136, 319, 320
Regulations.....	288
Sales, by years, months, and series.....	51, 579, 580, 584, 586
Series A, matured:	
Plan for converting into Series E bonds.....	309
Redemption procedure.....	61, 309
Series E:	
Denomination of \$200 authorized and redemption value.....	307
Number of bonds sold and issue price by denominations.....	54
Series F and G:	
Commercial bank purchases.....	582
Regulations, amendment Nov. 17, 1944.....	308
Undelivered bonds received from war contractors.....	165
Bowling alleys and billiard and pool tables, taxes.....	482, 486, 726
Bretton Woods agreements, statements of Secretary Morgenthau before House and Senate committees.....	377, 380
Bretton Woods Conference ( <i>see also</i> International Bank for Reconstruction and International monetary fund):	
Address of Secretary Morgenthau.....	340
Discussion.....	95
Final act of.....	340
Budget and Improvement Committee, administrative report.....	184
Budget estimates. ( <i>See</i> Expenditures; Receipts.)	
Budgetary administration and financial reporting.....	122
Butter, adulterated, mixed flour, and filled cheese, taxes.....	482, 725

## C

Canal Zone Postal Savings System.....	538, 603, 606
Canal Zone retirement and disability fund.....	452, 472, 536, 540, 625, 742, 749, 756
Capital stock sales or transfers, tax.....	481, 485
Capital stock tax.....	207, 208, 212, 479, 484, 724
Cargoes, Incorporated.....	616, 619
Carriers Taxing Act taxes:	
Administration of taxes.....	221
Amounts.....	450, 480, 483, 486, 490
Estimates 1946 and 1947.....	726
Refunds.....	494
Certificates of indebtedness:	
Description of issues and amounts outstanding.....	519
Interest payable, paid, and outstanding unpaid.....	597, 598, 599
Issued, redeemed, and outstanding.....	533, 536, 538, 545
Offerings and allotments:	
July 20, 1944, Series E—1945, dated Aug. 1, 1944.....	257, 258
Aug. 24, 1944, Series F—1945, dated Sept. 1, 1944.....	258, 260
Sept. 25, 1944, Series G—1945, dated Oct. 1, 1944.....	261
Nov. 20, 1944, Series H—1945, dated Dec. 1, 1944.....	266, 267
Jan. 22, 1945, Series A—1946, dated Feb. 1, 1945.....	273, 274
Feb. 19, 1945, Series B—1946, dated Mar. 1, 1945.....	274, 275
Mar. 22, 1945, Series C—1946, dated Apr. 1, 1945.....	275, 276
Apr. 19, 1945, Series D—1946, dated May 1, 1945.....	276, 277
May 14, 1945, Series E—1946, dated June 1, 1945.....	283, 284
Redemptions for cash and exchange.....	63
Short-term series, discussion.....	66
Charts:	
Composition of public debt by types of issues.....	69
Dollar goes farther in this war.....	407
Expenditures by major purposes.....	26
Half our national product goes to war.....	408
Interest rates rose in last war; fell in this.....	413
Organization of Treasury Department.....	xiv
Percentage distribution of holdings of investors.....	42
Receipts by major sources.....	14
Sales of savings bonds compared with redemptions.....	56

## Charts—Continued

	Page
Sales of securities in each war loan.....	46
Sales of Series E savings bonds by denominations.....	53
Sales, redemptions, and amounts of savings bonds outstanding.....	52
Short-term borrowing general in World War II.....	412
This war nine times as costly as last.....	406
Treasury securities tailored to needs of investors.....	411
War expenditures compared with munitions production.....	29
World War I securities not risk-proof.....	410
Yields of Government obligations.....	71
Check payments decentralized.....	124
Checking accounts of Government corporations and agencies, net transactions:	
Amounts.....	443, 474
Discussion of transactions.....	33
Estimates 1946 and 1947.....	762
Checks, drafts, or orders for payment of money, taxes.....	486
Checks, duplicate, issuance of.....	132
Checks, outstanding liabilities.....	132
China:	
Appropriations and expenditures for aid to.....	468, 506, 508
Settlement with, for advances to U. S. forces.....	99, 395
Cigar taxes.....	481, 725
Cigarette papers and tubes, taxes.....	481, 725
Cigarette taxes.....	481, 725
Circulars, Department, Nos.:	
530, Sixth Revision, Feb. 13, 1945, savings bond regulations.....	288
560, amended May 11, 1945, redemption of adjusted service bonds.....	324
653, supplement July 2, 1945, \$200 denomination Series E bonds.....	307
654, amendment Nov. 17, 1944, Series F and G bonds.....	308
746, July 20, 1944, certificates of indebtedness Series E-1945.....	257
748, Aug. 24, 1944, certificates of indebtedness Series F-1945.....	258
749, Aug. 24, 1944, Treasury notes Series A-1946 (additional).....	259
750, Sept. 5, 1944, redemption of savings bonds by banks and trust companies.....	310
750, Revised, June 30, 1945, redemption of savings bonds by banks and financial institutions.....	314
751, Sept. 5, 1944, losses from savings bond redemptions by banks and trust companies.....	319
751, Revised, June 30, 1945, losses from savings bond redemptions by banks and financial institutions.....	320
752, Sept. 25, 1944, certificates of indebtedness Series G-1945.....	261
753, Oct. 4, 1944, call for redemption of mutual mortgage insurance fund debentures.....	334
754, Oct. 4, 1944, call for redemption of housing insurance fund debentures.....	337
755, Nov. 20, 1944, Treasury bonds of 1966-71.....	261
756, Nov. 20, 1944, Treasury bonds of 1952-54.....	264
757, Nov. 20, 1944, Treasury notes Series C-1947.....	265
758, Nov. 20, 1944, certificates of indebtedness Series H-1945.....	266
759, Nov. 20, 1944, Treasury notes Series C-1946.....	272
760, Nov. 20, 1944, Treasury bonds of 1966-71 (additional).....	267
761, Nov. 20, 1944, Treasury bonds of 1952-54 (additional).....	269
762, Nov. 20, 1944, Treasury notes Series C-1947 (additional).....	270
763, Jan. 22, 1945, certificates of indebtedness Series A-1946.....	273
764, Feb. 19, 1945, certificates of indebtedness Series B-1946.....	274
765, Mar. 22, 1945, certificates of indebtedness Series C-1946.....	275
766, Apr. 19, 1945, certificates of indebtedness Series D-1946.....	276
767, May 21, 1945, Treasury notes Series D-1946.....	277
768, May 14, 1945, Treasury bonds of 1967-72.....	279
769, May 14, 1945, Treasury bonds of 1959-62.....	280
770, May 14, 1945, Treasury bonds of 1950.....	282
771, May 14, 1945, certificates of indebtedness Series E-1946.....	283
Civil service retirement fund.....	454, 472, 536, 540, 626, 742, 749, 756
Civilian Conservation Corps.....	464
Claims for relief on account of lost securities.....	168, 176
Coal tax.....	207, 208, 482, 486
Coconut, etc., oils processed, taxes.....	482, 486, 725



	Page
Coin-operated amusement and gaming devices, taxes.....	482, 486, 726
Coins. ( <i>See</i> Mint Service; Money.)	
Colorado River Dam fund.....	128
Commodity Credit Corporation.....	89,
91, 124, 461, 565, 602, 604, 605, 607, 616, 617, 619, 648, 664, 741	
Commodity stamps for food and cotton products.....	133
Comptroller of Currency, Bureau of, administrative report.....	185
Consols of 1930.....	525, 548, 598
Contingent liabilities of U. S.:	
Description of and amount outstanding.....	602, 605, 647
Issued on credit of U. S. ....	603, 606
Securities guaranteed by U. S.:	
Borrowing power of corporations and obligations.....	91
Call notices for redemption of.....	334-339
Discussion.....	88
Holders, amounts.....	678, 692, 695
Interest paid by years and tax status.....	601
Matured or called and redeemed.....	607
Outstanding amounts by agencies.....	89, 602, 605
Prices and yields, marketable securities.....	611
Redemptions for cash and exchange by issues.....	37
Refunding of, discussion.....	64
Sales and redemptions in market (net) by agencies.....	474
Contracts, renegotiation:	
Estimates of receipts 1946 and 1947.....	731
Procurement Division activities.....	242
Recoveries of excessive profits, discussion.....	24
Corporation income tax. ( <i>See</i> Taxes.)	
Corporations and agencies, Government ( <i>see also</i> Contingent liabilities of U. S.):	
Assets and liabilities.....	645
Borrowing power and obligations.....	91
Checking accounts with Treasurer. ( <i>See</i> Checking accounts of Government corporations and agencies.)	
Proprietary interest of U. S. in, discussion.....	94
Securities held by Treasury.....	89, 93, 183, 604, 616, 619
Sources and applications of funds by agencies.....	662
U. S. investment in.....	647
War and defense activities expenditures.....	738
Counterfeit money. ( <i>See</i> Secret Service Division.)	
Credit agencies. ( <i>See</i> Corporations and agencies, Government.)	
Cuba, gold purchase agreement extended.....	94, 339
Cumulative sinking fund. ( <i>See</i> Public debt.)	
Currency. ( <i>See</i> Money.)	
Customhouse brokers, licenses issued and canceled.....	236
Customs, Bureau of:	
Administration, cost.....	201
Appraisement activities.....	194
Collections ( <i>see also</i> Receipts).....	187, 489, 702
Drawback transactions.....	192, 702
Entries of merchandise.....	190
Expenses.....	702
Fines, penalties, etc., collections.....	198
Investigative and patrol activities.....	199
Laboratory analysis of samples of merchandise.....	194
Law enforcement activities.....	195
Legal proceedings.....	198
Protests and appeals.....	194
Refunds.....	489, 702
Seizures.....	196, 197, 198
Vehicles and persons entering U. S. ....	191
War activities.....	103, 200
Czechoslovakia. ( <i>See</i> Foreign government obligations owned by U. S.)	

## D

Daily statement of Treasury, changes in.....	124, 129
Defense aid, deposits for.....	735

	Page
Defense Homes Corporation.....	510, 616, 654, 668
Defense Plant Corporation.....	231, 510, 616, 651, 666
Defense Supplies Corporation.....	510, 616, 651, 666
Deficit. ( <i>See</i> Surplus or deficit of receipts and expenditures.)	
Departments and establishments, regular governmental. ( <i>See</i> Expenditures.)	
Depositories, Government:	
Depository bonds allotted to.....	135
Deposits in.....	612
Number, amount of deposits, by classes of depositories.....	134
Unemployment compensation benefit payment accounts serviced by.....	135
Withheld taxes paid through, procedure changed.....	134
Disaster Loan Corporation.....	616, 651, 666
Disbursing officers, additional transactions for armed forces authorized.....	433
Distilled spirits tax.....	207, 481, 484, 724
District of Columbia:	
Expenditures.....	472
Receipts.....	454
District of Columbia teacher's retirement fund.....	183, 627
District of Columbia water fund.....	183, 629
Dues, club, and initiation fees, taxes.....	482, 486, 725

## E

Electric, gas, and oil appliances, taxes.....	482, 725
Electric light bulbs and tubes, taxes.....	482, 725
Electric signs, tax.....	482
Electrical energy tax.....	479, 482, 725
Employees, Treasury Department. ( <i>See</i> Personnel.)	
Employment taxes ( <i>see also</i> Carriers Taxing Act; Social Security Act):	
Amounts.....	450, 480, 483, 486, 488, 490
Assessments, additional.....	208
Discussion.....	22
Estimated yields 1946 and 1947.....	113, 116, 726
Engraving and Printing, Bureau of:	
Deliveries of finished work.....	202
Funds available and expenditures.....	205
Postage stamp dies engraved.....	204
Estate tax.....	207, 208, 211, 479, 481, 484, 724
Estimates of receipts and expenditures. ( <i>See</i> Expenditures; Receipts.)	
Estonia, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Excess profits tax.....	479, 481, 483, 488, 724
Exchange stabilization fund. ( <i>See</i> Stabilization fund.)	
Expenditures ( <i>see also</i> Federal aid to States; Surplus or deficit):	
Amounts.....	441, 444, 456, 737
Debt retirements, statutory.....	441, 447, 470, 748
Departmental.....	458, 739, 744
Discussion.....	24, 31, 32
Employment trust fund. ( <i>See</i> Unemployment trust fund.)	
Estimates 1946 and 1947.....	117, 737
General.....	441, 458
General and special accounts.....	25, 441, 458, 478, 737
Gold increment, chargeable against. ( <i>See</i> Gold.)	
Interest on public debt. ( <i>See</i> Public debt.)	
Public debt by classes.....	538
Public works.....	478
Railroad Unemployment Insurance Act. ( <i>See</i> Railroad unemployment insurance.)	
Railroads. ( <i>See</i> Railroads, Federal control of.)	
Refunds.....	31, 466, 478, 494, 740
Refunds, drawbacks, and stamp redemptions, Bureau of Internal Revenue, total by appropriations.....	207
Relief and work relief.....	478, 742
Revolving funds. ( <i>See</i> Revolving funds.)	
Social Security Act. ( <i>See</i> Social Security Act.)	
Transfers to trust accounts.....	441, 470

Expenditures—Continued	Page
Trust accounts. ( <i>See</i> Trust accounts.)	
War activities. ( <i>See</i> War activities.)	
Export-Import Bank of Washington	616

## F

Farm Credit Administration	460, 470, 617, 619, 648, 658, 664, 671, 741
Farm Security Administration	462, 617, 619, 658, 671, 739, 741
Federal agencies and trust funds, security holdings	696
Federal aid to States, expenditures for	711, 715
Federal Alcohol Administration Act, activities under	212
Federal Crop Insurance Corporation	616, 648, 664, 741
Federal Deposit Insurance Corporation	183, 538, 540, 616, 654, 668
Federal Farm Mortgage Corporation	89,
	91, 161, 460, 604, 605, 607, 616, 617, 619, 648, 664
Federal home loan banks	616, 619, 654, 668
Federal Housing Administration	89, 90, 91, 602, 605, 607, 617, 619, 658, 671
Federal Insurance Contributions Act. ( <i>See</i> Social Security Act.)	
Federal intermediate credit banks	565, 616, 648, 664
Federal land banks	162, 460, 616, 617, 619, 648, 664, 741
Federal National Mortgage Association	616, 617, 651, 666
Federal old-age and survivors insurance trust fund:	
Expenditures, investments and benefit payments:	
Amounts	443, 472
Estimates 1946 and 1947	756
Receipts:	
Amounts	442, 452
Estimates 1946 and 1947	749
Special security issues	536, 540
Status	630
Federal Prison Industries, Inc.	651, 666
Federal Public Housing Authority	89, 91, 604, 605, 607, 617, 619, 654, 668, 721
Federal Reserve Bank notes. ( <i>See</i> Money).	
Federal Reserve Banks:	
Advances to, for industrial loans	127
Check payments for Treasurer	124
Collateral for Government deposits, procedure	139
Money held by	675
Reserve requirements amended	96, 386
Security holdings	48, 691, 692, 698
Federal Reserve notes. ( <i>See</i> Money.)	
Federal savings and loan associations	135, 164, 618, 620
Federal Savings and Loan Insurance Corporation	538, 617, 654, 668
Federal Security Agency	464,
	466, 506, 508, 617, 619, 717, 720, 738, 741, 742, 743, 745
Federal Surplus Commodities Corporation	648, 664
Federal Unemployment Tax Act. ( <i>See</i> Social Security Act.)	
Federal Works Agency	464,
	466, 506, 508, 617, 619, 658, 671, 718, 720, 721, 739, 742, 743, 745
Fees, receipts	727
Fermented malt liquor tax. ( <i>See</i> Beer tax.)	
Financing, Treasury ( <i>see also</i> Public debt):	
Bank and nonbank investments in securities	48
Banks and trust companies authorized to redeem savings bonds	310
Borrowing (net):	
1945	35
Estimates 1946 and 1947	762
Debt management	4
Deficit and other requirements	34
Financial institutions authorized to redeem savings bonds	314
Holders of securities	678, 692, 694
Impact on economy	81
Liquid assets of nonbank investors	84
Liquid savings absorbed in securities	78
Operations during year	35
Sources of funds for borrowing	72

Financing, Treasury—Continued	Page
War Finance Division activities	250
War loan sales of securities:	
Commercial bank restrictions	39, 326
Dates of loans	38, 567
Deferred payment plan	41
Discussion	37
Federal civilian and military purchases of savings bonds	253
Goals and sales	39, 40, 567, 570, 574
Investor classes	568, 572, 576
Series E savings bonds sold in each loan by denominations	578
Fines and penalties, receipts	727
Finland, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Firearms, shells, and cartridges, tax	482, 725
Fiscal Service. ( <i>See</i> Accounts Bureau; Public Debt Bureau; Treasurer of U. S.)	
Floor stocks taxes, liquors	481, 724
Foreign check control, checks held in special deposit account	145
Foreign Economic Administration	662
Foreign Funds Control	106, 205
Foreign government obligations owned by U. S.:	
Discussion	140
Indebtedness and payments received	621, 622
Public debt retirements from payments on	565
Receipts from	451
Securities held by Treasurer for Secretary of Treasury	183
Foreign service retirement fund	454, 472, 536, 540, 634, 742, 749, 756
Forfeitures, receipts	728
Fractional currency	528, 555
France, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Furs tax	482, 725
<b>G</b>	
Gasoline tax	479, 482, 725
General Fund:	
Assets and liabilities	612
Balance	92, 564, 613, 614
Discussion	92
Estimated receipts and expenditures 1946 and 1947	762
Increment from reduction in weight of gold dollar	614
Seigniorage	614
Working balance	613, 614
Germany ( <i>see also</i> Foreign government obligations owned by U. S.)	
Awards of Mixed Claims Commission and payments	722
Awards of War Claims Arbitrator to nationals	148
Indebtedness to U. S., payments received and amounts not paid	146
Special deposit account, statement	150
Gift tax	207, 208, 211, 479, 481, 484, 724
Gifts and contributions	107, 729
Gold:	
Acquired by mints and assay offices	230
Assets and liabilities of Treasury	612
Bullion, including gold coin, stock	229, 674, 676
Certificate fund, Board of Governors, Federal Reserve System	612
Certificates	180, 612, 674, 677
Cuban purchase agreement extended	94, 339
Electrolytically refined by Mint Service	230
Holdings of Treasury	180
Increment from reduction in weight of gold dollar:	
Expenditures chargeable to	443
In General Fund balance	613, 614
Receipts	442, 454, 756
Industrial consumption	232
Production, domestic	231
Reserve against U. S. notes and Treasury notes of 1890	612
Termination of U. S. sales to India and Egypt	95



	Page
Government Actuary .....	243
Government life insurance fund .....	454, 472, 536, 538, 540, 643, 749, 756
Government Losses in Shipment Act:	
Claims made for losses .....	137
Discussion .....	136
Savings bond redemption losses payable from fund .....	136, 319, 320, 322
Savings on shipments .....	137
Status of fund .....	138
Government products, receipts from sales .....	733
Great Britain and Northern Ireland, loan by R. F. C. to .....	510
Great Britain, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Greece, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Gross debt of U. S. ( <i>See</i> Public debt.)	
Guaranteed obligations of U. S. ( <i>See</i> Contingent liabilities.)	

## H

Hawaiian currency and securities regulations revoked .....	99, 394
Highway expenditures .....	715, 718, 719, 720, 739, 743
Home loan banks. ( <i>See</i> Federal home loan banks.)	
Home Owners' Loan Corporation .....	89, 91, 604, 605, 607, 617, 619, 654, 668
Housing insurance fund debentures .....	89, 337, 602, 605, 607
Hungary ( <i>see also</i> Foreign government obligations owned by U. S.):	
Awards of War Claims Arbitrator to nationals .....	150
Tripartite Claims Commission awards entered against .....	151

## I

Imports, values and estimated duties .....	704, 705, 709
Income, gross national, analysis of flow .....	87
Income tax. ( <i>See</i> Internal Revenue Bureau; Receipts; Taxes.)	
Indebtedness of foreign governments to U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Independent offices, boards, commissions, and corporations. ( <i>See</i> Expenditures; also titles of certain offices.)	
Indians, expenditures for .....	500
Indian tribal funds .....	454, 472
Inland Waterways Corporation .....	617, 648, 664
Institute of Inter-American Transportation .....	617
Insurance companies, security holdings .....	48, 678, 681, 691
Inter-American Navigation Corporation .....	617
Interdepartmental War Savings Bond Committee, administrative report ..	252
Interest-bearing debt of U. S. ( <i>See</i> Public debt.)	
Interest, exchange, and dividends, receipts .....	729
Interest on public debt. ( <i>See</i> Public debt.)	
Internal Revenue, Bureau of ( <i>see also</i> Taxes):	
Accounts and Collections Unit:	
Carriers Taxing Act taxes .....	207, 221
Collections .....	206
Federal Insurance Contributions Act taxes .....	207, 219
Federal Unemployment Tax Act taxes .....	207, 220
Returns filed .....	218
Stamps issued and returned .....	218
Administration cost .....	208
Alcohol Tax Unit .....	206, 212
Appropriations for prior years, expenditures from .....	501
Assessments, additional .....	208
Chief Counsel, Office of .....	223
Claims paid, by class of tax .....	207
Collections, summary, by units ( <i>see also</i> Receipts) .....	206
Expenses of, by districts .....	501
Income Tax Unit .....	206, 207, 208
Intelligence Unit .....	225
Miscellaneous Tax Unit .....	206, 211
Refunds and repayments ( <i>see also</i> Expenditures) .....	207

Internal Revenue, Bureau of—Continued	Page
Salary stabilization	108, 225
Securities received for tax liabilities owned by U. S.	618, 620
Technical Staff	221
Trust fund collections	483, 754
International Bank for Reconstruction and Development:	
Act for U. S. participation in	382
Articles of agreement	361
International financial relations, discussion	6, 94
International monetary fund:	
Act for U. S. participation in	382
Articles of agreement	342
Invasion currency used in Europe and the Pacific	97-100, 387-397
Italy, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	

## J

Jewelry tax	482, 725
-------------	----------

## L

Latvia, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Laws, Public, Nos.:	
28, Apr. 3, 1945, Public Debt Act of 1945	322
84, June 12, 1945, Federal Reserve Bank reserve requirements	386
171, July 31, 1945, U. S. participation in international fund and bank	382
554, Dec. 23, 1944, disbursing officers	433
Legal Division, administrative report	226
Lend-lease program:	
Expenditures	739
Purchase under. ( <i>See</i> Procurement Division.)	
Library of Congress trust fund	635, 750, 757
Liquor taxes	208, 213, 479, 481, 484, 724
Lithuania, obligations owned by U. S. ( <i>See</i> Foreign government obligations owned by U. S.)	
Longshoremen's and harbor workers' compensation fund	638
Luggage tax	482, 725

## M

Machines, business, store, and washing, taxes	482, 725
Manufacturers' excise taxes	479, 482, 485, 725
Marihuana tax ( <i>see also</i> Narcotics Bureau)	482
Matches, tax	482, 725
Medals, Army, Navy, etc., produced	229
Metals Reserve Company	510, 617, 651, 666
Mexico:	
Expropriation of petroleum properties	155
Mexican Claims Settlement Act of 1942, activities under	153
Special Mexican Claims Commission, awards	153
Stabilization agreement extended	94, 339
Military currency, printed at Bureau of Engraving and Printing ( <i>see also</i> Invasion currency)	204
Minor coin. ( <i>See</i> Money.)	
Mint Service:	
Bullion deposit transactions	230
Coin and monetary bullion stock in U. S.	229
Coinage	228, 395
Gold and silver domestic production	231
Gold and silver industrial consumption	232
Income and expenses	232
Medals produced	229
Profits on coinage, bullion deposits, etc.	730
Storage withdrawals of gold and silver bullion	230
Miscellaneous internal revenue. ( <i>See</i> Internal Revenue Bureau; Receipts; Taxes.)	
Miscellaneous receipts	444, 450, 480, 726

	Page
Mixed Claims Commission, U. S. and Germany	147, 722
Monetary developments, discussion	94
Monetary Research, Division of, administrative report	233
Money ( <i>see also</i> Gold; Silver):	
Circulation	675
Coin shipments between Treasury, mints, and Federal Reserve Banks	181
Federal Reserve Bank notes	96, 180, 387, 674, 676, 677
Federal Reserve notes	174, 180, 182, 603, 674, 676, 677
Minor coin	674, 676, 677
National bank notes	180, 528, 674, 676, 677
National bank notes and Federal Reserve Bank notes	534, 538
Paper currency	180, 181
Stock, in Treasury, Federal Reserve Banks, and circulation	674, 675, 677
Treasury notes of 1890	180, 674, 677
U. S. notes	96, 180, 387, 674, 676, 677
U. S. notes and Treasury notes of 1890, gold reserve against	674
Municipalities and States. ( <i>See</i> States and municipalities.)	
Musical instruments and phonograph records, taxes	482
Mutual mortgage insurance fund	605
Mutual mortgage insurance fund debentures	89, 334, 602, 607

## N

Narcotics, Bureau of:	
Drug exports	235
Registrants under narcotic laws	234
Violations of narcotic laws and cases disposed of	234
Narcotics, tax	207, 482, 486
National Archives gift fund	638
National bank notes. ( <i>See</i> Money.)	
National banks:	
Assets and liabilities on date of each report	185
Condition, changes in	185
Number, capital stock changes, and liquidations	187
National Cancer Institute gift fund	639
National defense ( <i>see also</i> War activities), estimates of expenditures 1946 and 1947	737
National Firearms Act tax	482, 486
National Housing Agency	464, 508, 654, 668, 721, 739, 743, 745
National Institute of Health gift fund	640
National life insurance fund	538
National park trust fund	641
National service life insurance fund	454, 474, 478, 541, 642, 749, 756
Navy Department:	
Appropriations and expenditures for war activities	30, 506
Expenditures:	
Amounts	445, 466, 478, 508
Estimates 1946 and 1947	737
Loans, guaranteed	617, 619
Notes, legal tender	528
Notes, old demand	528, 555
Notes, Treasury:	
Description of issues and amounts outstanding	517
Interest:	
Paid	598, 599
Payable, paid, and outstanding unpaid	597
Issued, redeemed, and outstanding	533, 536, 538
National defense series, issued, redeemed, and outstanding	544
Regular series:	
Issued, redeemed, and outstanding	544
Offerings and allotments:	
Aug. 24, 1944, Series A-1946 (additional), dated Nov. 1, 1941	259, 260
Nov. 20, 1944, Series C-1946, dated Dec. 1, 1944	272, 273
Nov. 20, 1944, Series C-1947, dated Dec. 1, 1944	265, 267
Nov. 20, 1944, Series C-1947 (additional), dated Dec. 1, 1944	270, 273
May 21, 1945, Series D-1946, dated June 1, 1945	277, 279
Redemptions for cash and exchange	62

Notes, Treasury—Continued	Page
Tax and savings series:	
Discussion	62
Issued, redeemed, and outstanding	533,
	536, 538, 544, 592, 593, 595, 596
Notes, Victory	525, 549, 598

## O

Office of Inter-American Affairs	662
Oil transportation by pipeline, tax	482, 485, 725
Oils, lubricating, tax	479, 482, 725
Oleomargarine tax	482, 486, 725
Optical equipment tax	482
Orders, Treasury Department, on organization and procedure	432

## P

Panama Canal:	
Expenditures	464, 496, 506
Receipts	450, 496
Panama Railroad Company	617, 654, 668
Paper currency. ( <i>See Money.</i> )	
Passengers and pedestrians entering U. S.	191
Pay periods revised	123, 132
Payroll savings plan:	
Participation extent	55, 252
Withholdings from Federal employees' salaries under	130
Payroll taxes. ( <i>See Carriers Taxing Act; Employment taxes; Social Security Act.</i> )	
Pensions and benefits, veterans, expenditures	31, 478, 500
Permits, privileges, and licenses, receipts	730
Pershing Hall Memorial fund	643
Personnel, Division of, administrative report	235
Personnel, Treasury Department, administrative and staff officers	xi
Persons and property transportation taxes	479, 482, 725
Petroleum, processed, tax	482, 486
Petroleum properties expropriated by Mexico. ( <i>See Mexico.</i> )	
Petroleum Reserves Corporation	510
Philippine Islands:	
Currency and coins, new series	99, 394
Funds in Treasury	142, 144
Securities and funds, restitution program	125
Photographic apparatus tax	482, 725
Pistols and revolvers, tax	482
Playing cards, tax	481, 485, 725
Poland, obligations owned by U. S. ( <i>See Foreign government obligations owned by U. S.</i> )	
Population estimates of continental U. S.	675
Post Office Department, expenditures	464
Postal savings stamps. ( <i>See Stamps, U. S. savings.</i> )	
Postal Savings System:	
Funds due depositors	603, 606
Securities held by Treasurer to secure deposits of funds	183
Treasury notes issued. ( <i>See Special issues of Government securities.</i> )	
Postal Service:	
Deficiencies:	
Expenditures for	497
Factors contributing to deficit	434
Expenditures	497
Revenue	497
Practice, Committee on, administrative report	235
Printing and binding expenditures	239
Processing tax refunds	466
Procurement Division:	
Blind-made products purchased	240
Contracts terminated	241
Fuel deliveries	238



Procurement Division—Continued	Page
General supply fund, assets and liabilities	242
Lend-lease purchases	104
Printing and binding expenditures	239
Purchases, summary	237
Renegotiation of contracts ( <i>see also</i> Contracts)	242
Stores and warehousing	237
Strategic materials, purchases	105
Surplus property disposal and recoveries	105
U. N. R. R. A. purchases	104
Utility services and savings effected	238
Produce for future delivery, sales of, tax	485
Production credit corporations	617, 619, 648, 664
Property, Government, receipts from sales	737
Proprietary interest of U. S. in Government corporations and credit agencies ( <i>see also</i> Securities owned by U. S.), discussion	94
Public Buildings Administration	464, 743, 745
Public debt ( <i>see also</i> Circulars; Contingent liabilities of U. S.):	
Changes in	67, 542
Debt retirements, statutory	441, 447, 470, 564, 565
Description of issues and amounts outstanding	511
Discussion	35
Estimated borrowings 1946 and 1947	762
Holders of securities, amounts	48, 678, 692, 694
Interest:	
Computed interest charge and rate of interest	599
Discussion	68
Expenditures:	
Amounts	31, 180, 445, 466, 478, 597, 601
Estimates 1946 and 1947	740
Payable, paid, and outstanding unpaid by classes of issues	597
Issued, accumulated retirements, outstanding	511, 536, 538, 556
Limit increased by act of Apr. 3, 1945	70, 322
Low interest rate policy	5
Management of	4
Offerings, by issues	36, 40, 63, 257
Outstanding:	
Distributed by redemption and maturity dates	68
Gross debt and analysis of changes	564
Interest-bearing	599
Interest-bearing by classes and noninterest-bearing	533
Interest-bearing, matured, noninterest-bearing	535
Interest-bearing, matured, noninterest-bearing, and gross	531
Matured	524, 534, 548
Noninterest-bearing	528, 555
Per capita gross debt	531
Prices and yield, public marketable securities	609
Redemptions for cash and exchange by issues	37, 556
Sinking fund:	
Appropriations, available funds, and debt retired	566
Credits	566
Discussion	66
Retirements from	470, 565
Sources of funds for Federal borrowing. ( <i>See</i> Financing.)	
Public Debt Act of 1945, discussion	70
Public Debt, Bureau of ( <i>see also</i> Public debt):	
Audit of securities	172, 178
Claims for relief on account of lost securities	168, 176
Destruction of canceled and redeemed securities	174
Distinctive and nondistinctive paper issued	173
Issues of securities	167
Redeemed securities audited and held	170, 177
Registered security accounts	167, 176
Safekeeping of securities	168
Savings bond activities	175
Public lands, receipts from sales	500, 736
Public Roads Administration	464, 743, 745

	Page
Public Works Administration.....	464, 565
Puerto Rico Reconstruction Administration.....	617, 619
<b>R</b>	
Radio sets, phonographs, etc., taxes.....	482, 725
Railroad retirement account:	
Expenditures, investments and benefit payments:	
Amounts.....	443, 472
Estimates 1946 and 1947.....	742, 756
Receipts:	
Amounts.....	442, 452
Estimates 1946 and 1947.....	750
Special security issues.....	536, 540
Status.....	631
Railroad Retirement Act, expenditures.....	490
Railroad unemployment insurance:	
Contributions:	
Amounts.....	22, 450, 480, 490
Estimates 1946 and 1947.....	726
Deposits and transfers.....	452, 749
Expenditures.....	470, 492
Railroads:	
Federal control of, discussion.....	159
Securities owned by Government.....	156, 618, 620
Tax on carriers and their employees. (See Carriers Taxing Act.)	
Receipts (see also Surplus or deficit):	
Amounts.....	444, 479, 724
Analysis, general and special accounts.....	13
Back taxes.....	479, 724
Carriers Taxing Act taxes. (See Carriers Taxing Act.)	
Customs:	
Amounts.....	440, 444, 450, 480
Estimates 1946 and 1947.....	114, 116, 726
Employment taxes. (See Employment taxes.)	
Estimates 1946 and 1947.....	110, 114, 724
General and special accounts.....	13, 440, 450, 724
Income and excess profits taxes.....	446, 450, 479, 481, 483, 488, 724
Income tax withheld by employers.....	16, 131, 450, 479, 481, 484, 724
Increment from reduction in weight of gold dollar. (See Gold.)	
Internal revenue taxes.....	440, 479, 481, 483, 488
Miscellaneous.....	444, 450, 480, 726
Miscellaneous internal revenue taxes.....	444, 450, 479, 481, 484, 488, 724
Miscellaneous taxes.....	726
Public debt by classes.....	536
Railroad securities.....	156
Railroad unemployment insurance contributions. (See Railroad unemployment insurance.)	
Railroads. (See Railroads, Federal control of.)	
Renegotiation of contracts. (See Contracts.)	
Social Security Act taxes. (See Social Security Act.)	
Transfers to Federal old-age and survivors insurance trust fund.....	440, 450, 749
Trust accounts. (See Trust accounts.)	
Unemployment trust fund. (See Unemployment trust fund.)	
R. F. C.:	
Assets and liabilities.....	651
Automobile financing loans.....	510
Borrowing power increased.....	90
Commitments, receipts, and disbursements for war activities.....	510
Obligations canceled by Secretary of Treasury.....	93
Securities:	
Guaranteed by U. S. outstanding.....	605
Held by Treasury.....	89, 91, 604, 617, 619
Redeemed by issues.....	607
Sources and application of funds.....	666
War commitments, credits and charges.....	31
RFC Mortgage Company.....	510, 617, 651, 666

	Page
Refrigerators, air conditioners, etc., tax.....	482, 725
Refunds. (See Expenditures.)	
Regional Agricultural Credit Corporation.....	617, 619, 648, 664
Reimbursements, receipts.....	731
Relief expenditures. (See Expenditures.)	
Renegotiation of war contracts. (See Contracts.)	
Rents and royalties, receipts.....	732
Repayments of investments, receipts.....	735
Repealed taxes.....	482
Research and Statistics, Division of:	
Administrative report.....	243
Government Actuary.....	243
Retailers' excise taxes.....	479, 482, 486, 725
Revenue acts. (See Taxes.)	
Revolving funds, expenditures.....	441, 470
Rubber articles, tax.....	482
Rubber Development Corporation.....	510, 617
Rubber Reserve Company.....	510, 617, 651, 666
Rumania, obligations owned by U. S. (See Foreign government obligations owned by U. S.)	
Rural Electrification Administration.....	460, 617, 619, 658, 671, 746
Russia, obligations owned by U. S., status.....	621
<b>S</b>	
Safe deposit boxes, tax.....	482, 486, 725
Salary stabilization and limitation.....	108, 225
Savings bonds. (See Bonds, U. S. savings.)	
Secret Service Division:	
Arrests and cases disposed of.....	247
Counterfeit money seized.....	246
Enforcement activities.....	245
Investigation of criminal and noncriminal activities.....	247
Protective activities.....	244
Secretary of Agriculture authorized to borrow on credit of U. S.....	603
Secretary of Treasury:	
Addresses:	
July 22, 1944, to Bretton Woods Conference.....	340
Oct. 7, 12, and 14, 1944, to conferences of war finance workers.....	328
Letters, Nov. 1, 1944, and Mar. 20, 1945, to commercial banks relative to war loans.....	326
Statements:	
March 7, 1945, before House Committee on Banking and Currency.....	377
April 18, 1945, on maturity of adjusted service bonds.....	323
June 12, 1945, before Senate Committee on Banking and Currency.....	380
Summary report of Secretary Morgenthau to Congress.....	397
Secretaries, Under Secretaries, and Assistant Secretaries of Treasury Department.....	x
Securities (see also Public debt):	
Custody of Treasurer, amounts.....	183
Destroyed by Destruction Committee.....	174
Governmental, holders of, classified.....	691, 692, 694
Guaranteed by U. S. (See Contingent liabilities of U. S.)	
Holders of direct and guaranteed debt.....	48, 678, 692, 694
Interest paid on securities issued or guaranteed.....	600
Investments, amounts, held in trust and special funds.....	165
Issued on credit of U. S., outstanding.....	603
Not guaranteed by U. S.:	
Holders, amounts.....	691, 692, 695
Sales and redemptions in market (net) by agencies.....	476
Owned by U. S.	
Changes in, explanation.....	619
Details.....	616
Discussion.....	93
Foreign government obligations. (See Foreign government obligations owned by U. S.)	
Receipts from.....	450
R. F. C. obligations canceled.....	93

	Page
Securities, Treasury savings (matured debt).....	527, 555
Seed, feed, drought, and crop production loans.....	617, 619
Seigniorage. ( <i>See</i> Silver.).....	
Services, receipts from sales.....	734
Settlement of War Claims Act of 1928, Treasury administration of.....	147
Silver ( <i>see also</i> Money):.....	
Acquired by mints and assay offices.....	230
Assets and liabilities of Treasury.....	612
Bullion:.....	
Stock.....	674, 676
Stock and in Treasury.....	229
Tax on sales and transfers.....	481, 485, 725
Certificates.....	180, 674, 677
Dollars.....	674, 676, 677
Electrolytically refined by Mint Service.....	230
Industrial consumption.....	232
Lend-lease of.....	96, 231
Prices.....	231
Production, domestic.....	232
Seigniorage:.....	
In General Fund balance.....	613, 614
Receipts.....	442, 450, 756
Sold under Green Act.....	231
Subsidiary coin.....	674, 676, 677
War purposes, discussion.....	96
Sinking fund. ( <i>See</i> Public debt.).....	
Smaller War Plants Corporation.....	506, 617, 619, 654, 668
Snuff tax.....	481, 725
Social Security Act:.....	
Depositories servicing State benefit payment accounts.....	135
Employment taxes.....	450, 486, 726
Expenditures:.....	
Amounts.....	464, 490
Estimates 1946 and 1947.....	741
Federal Insurance Contributions Act taxes:.....	
Amounts.....	450, 480, 483, 490
Estimates 1946 and 1947.....	726
Federal Unemployment Tax Act taxes:.....	
Amounts.....	480, 483, 490
Estimates 1946 and 1947.....	726
Grants to States under.....	492
Payments under, by States.....	717, 718
Refund of taxes.....	494
Title VIII taxes. ( <i>See</i> Federal Insurance Contributions Act above.).....	
Title IX taxes. ( <i>See</i> Federal Unemployment Act above.).....	
Unemployment trust fund. ( <i>See</i> Unemployment trust fund.).....	
Soft drinks, tax.....	485
Special Claims Commission, U. S. and Turkey, awards.....	152
Special issues of Government securities:.....	
Description of issues and amounts outstanding.....	519
Discussion.....	66
Interest paid on.....	598, 599, 601
Issued, redeemed and outstanding.....	533, 535, 536, 547
Retirements.....	540
Special Mexican Claims Commission, awards.....	153
Sporting goods, tax.....	482, 725
Stabilization fund:.....	
Assets and liabilities, and supporting schedules.....	614
International monetary cooperation.....	94
Mexican agreement extended.....	94, 339
Swiss franc stabilization cooperation.....	95
Stamp taxes.....	479, 481, 485, 725
Stamps, U. S. savings ( <i>see also</i> Public Debt Bureau):.....	
Discussion.....	61
Issued, redeemed, and outstanding.....	528, 534, 536, 538, 555, 590, 591



States and municipalities:	Page
Federal aid to, expenditures	711
Loans and grants to	464, 470, 492
Payments to, by States	715
Securities of, held by banks and others	691, 693
Security holdings	691
Strategic and critical materials, acquisition of	105
Subsidiary silver coin. ( <i>See</i> Silver.)	
Sugar tax	207, 208, 480, 482, 487, 725
Surplus or deficit of receipts and expenditures:	
Amounts	33, 564
Financing of net deficit	34
General and special accounts	441, 445
Trust accounts	443
Surplus property disposal by Procurement Division	105
Surplus property, securities on account of sales of:	
Held by Treasurer	183
Owned by United States	617, 619
Suspensions and disallowances	133

## T

Tax Legislative Counsel, Office of, administrative report	248
Tax Research, Division of, administrative report	249
Taxes, discussion:	
Carriers Taxing Act. ( <i>See</i> Carriers Taxing Act.)	
Changes in taxes during year	101
Corporation:	
Revenue estimates 1946 and 1947	112, 115
Revenue results of legislation	17
Excess profits tax refund bonds. ( <i>See</i> Bonds, Excess profits tax.)	
Income tax withheld from salaries of Federal employees	131
Individual income:	
Revenue estimates 1946 and 1947	112, 114
Revenue results of legislation	15
Withholding of taxes ( <i>see also</i> Depositaries; Receipts)	134
Joint Committee on Internal Revenue Taxation for Postwar Taxation organized	101
Miscellaneous internal revenue:	
Revenue estimates 1946 and 1947	113, 115
Revenue results of legislation	19
Reconversion tax policy	2
Renegotiations of contracts. ( <i>See</i> Contracts.)	
Revenue estimates 1946 and 1947	110, 114
Revenue legislation enacted	101
Revenue results of legislation	15
Social security taxes frozen at 1 percent for calendar year 1945	102
Tax-exempt and taxable Government issues, provisions of	511
Telegraph, telephone, cable, and radio facilities, etc., tax	479, 482, 485, 725
Telephone, local service, tax	479, 482, 725
Tennessee Valley Associated Cooperatives, Inc.	617, 654, 668
Tennessee Valley Authority	89, 91, 466, 603, 604, 606, 617, 618, 620, 654, 668
Territories and possessions, securities, holders of	693
Tobacco manufacturers, taxes	207, 208, 211, 479, 481, 485, 725
Toilet preparations, tax	482, 725
Transportation, persons and property, taxes	479, 482, 725
Treasurer of U. S.:	
Checks paid	124, 180, 182
Savings bonds held in safekeeping	183
Treasury assets and liabilities	612
Treasury bills. ( <i>See</i> Bills, Treasury.)	
Treasury bonds. ( <i>See</i> Bonds, Treasury.)	
Treasury Department ( <i>see also</i> Circulars; Personnel):	
Accounts, description of	438
Administrative and staff officers	xi
Expenditures	458, 741, 742, 747
Organization and procedure, orders relating to	432

## Treasury Department—Continued

Releases:	Page
Oct. 3, 1944, allied military marks in German territory.....	389
Jan. 22, 1945, settlement with China for advances to U. S. forces.....	395
Jan. 30, 1945, Mint production of foreign coins and medals.....	395
Securities of Government corporations and agencies held by.....	89, 604
Statements:	
Sept. 13, 1944, invasion currency in Belgium.....	387
Sept. 16, 1944, invasion currency in Luxembourg.....	388
Sept. 16, 1944, invasion currency in the Netherlands.....	388
Oct. 21, 1944, revocation of Hawaiian currency and securities regulations.....	394
Nov. 16, 1944, new series of Philippine currency.....	394
March 14, 1945, invasion currency.....	389
June 8, 1945, military currency in Okinawa.....	396
War activities, expenditures.....	468, 506, 508
War and defense activities, estimates of expenditures 1946 and 1947.....	740
Treasury investment accounts, security purchases.....	51
Treasury notes. ( <i>See</i> Notes, Treasury).	
Treasury savings securities (matured debt). ( <i>See</i> Securities, Treasury savings.)	
Tripartite Claims Commission, awards entered against Hungary.....	151
Trust accounts ( <i>see also</i> titles of particular funds):	
Discussion of transactions.....	33
Expenditures:	
Amounts.....	443, 472
Estimates 1946 and 1947.....	756
Explanation of.....	439
Investments held in, summary of amounts.....	165
Receipts:	
Amounts.....	442, 452
Estimates 1946 and 1947.....	749
Securities in custody of Treasurer, amounts.....	183
Special Government issues for. ( <i>See</i> Special issues of Government securities.)	
Status of trust and special funds for which investments are made by Treasury.....	623
Tax collections credited to.....	483
Turkey, Special Claims Commission, U. S. and Turkey, awards.....	152

## U

Unemployment trust fund ( <i>see also</i> Special issues of Government securities):	
Amounts credited to each State agency and railroad unemployment insurance account and withdrawals.....	633
Expenditures:	
Amounts.....	443, 472
Estimates 1946 and 1947.....	756
Receipts:	
Amounts.....	442, 452
Estimates 1946 and 1947.....	749
Status.....	632
Withdrawals by States.....	472
United Kingdom—United States financial agreement.....	9
U. N. R. R. A., expenditures for.....	104, 468, 506, 508, 739
U. S. Commercial Company.....	510, 617
U. S. Government life insurance fund. ( <i>See</i> Government life insurance fund.)	
U. S. Housing Corporation.....	617, 619, 654, 668
U. S. Maritime Commission.....	30, 91,
	468, 478, 506, 508, 618, 620, 658, 671, 738
U. S. Naval Academy general gift fund.....	644
U. S. notes. ( <i>See</i> Money.)	
U. S. notes and Treasury notes of 1890, gold reserve against.....	612
U. S. savings bonds. ( <i>See</i> Bonds, U. S. savings.)	
U. S. Spruce Production Corporation.....	617, 651, 666
Unjust enrichment tax.....	479, 481, 483, 488, 724

## V

Veterans' Administration expenditures	466, 738, 741, 743
Virgin Islands Company	648, 664

## W

War activities:	
Appropriations, by acts, and net contract authorizations	505
Appropriations, contract authorizations, and expenditures	30, 506
Customs Service participation	103, 200
Expenditures:	
Amounts	27, 441, 466, 478, 508
Discussion	27
Estimates 1946 and 1947	737
Invasion currency used in Europe and the Pacific	97-100, 387-397
Lend-lease purchases by Procurement Division	104
R. F. C. commitments, credits, and charges	31, 510
Strategic materials acquired	105
War agencies, liquidation of	109, 126
War Claims Arbitrator, awards on account of claims of German nationals	150
War contributions	107
War Damage Corporation	510, 617, 651, 666
War Department:	
Appropriations and expenditures for war activities	30, 506
Expenditures:	
Amounts	444, 466, 478, 508
Estimates 1946 and 1947	737, 748
Loans, guaranteed	618, 620
War Finance Division, administrative report	250
War Food Administration	460
War housing insurance fund	605
War housing insurance fund debentures	89, 602
War loan drives. (See Financing.)	
War savings certificates	598
War savings stamps. (See Stamps, U. S. savings.)	
War Shipping Administration	30, 468, 478, 506, 508, 658, 671
Warrior River Terminal Company, Inc.	617
Wines tax	481, 724
Withholding taxes. (See Receipts; Taxes.)	
Work Projects Administration	464
Workmen's Compensation Act fund	629

## Y

Yugoslavia, obligations owned by U. S. (See Foreign government obligations owned by U. S.)
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